

Council Meeting Agenda & Reports

1 May 2023

Our Vision

*A City which values its heritage, cultural diversity,
sense of place and natural environment.*

*A progressive City which is prosperous, sustainable
and socially cohesive, with a strong community spirit.*

City of Norwood Payneham & St Peters
175 The Parade, Norwood SA 5067

Telephone 8366 4555
Facsimile 8332 6338
Email townhall@npsp.sa.gov.au
Website www.npsp.sa.gov.au



City of
Norwood
Payneham
& St Peters

27 April 2023

To all Members of the Council

NOTICE OF MEETING

I wish to advise that pursuant to Sections 83 and 87 of the *Local Government Act 1999*, the next Ordinary Meeting of the Norwood Payneham & St Peters Council, will be held in the Council Chambers, Norwood Town Hall, 175 The Parade, Norwood, on:

Monday 1 May 2023, commencing at 7.00pm.

Please advise Tina Zullo on 8366 4545 or email tzullo@npsp.sa.gov.au, if you are unable to attend this meeting or will be late.

Yours faithfully



Mario Barone
CHIEF EXECUTIVE OFFICER

City of Norwood Payneham & St Peters
175 The Parade, Norwood SA 5067

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City of
**Norwood
Payneham
& St Peters**

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VENUE Council Chambers, Norwood Town Hall

HOUR

PRESENT

Council Members

Staff

APOLOGIES

ABSENT

1. **KAURNA ACKNOWLEDGEMENT**

2. **OPENING PRAYER**

3. **CONFIRMATION OF THE MINUTES OF THE SPECIAL COUNCIL MEETING HELD ON 11 APRIL 2023**

4. **MAYOR'S COMMUNICATION**

5. **DELEGATES COMMUNICATION**

6. **QUESTIONS WITHOUT NOTICE**

7. **QUESTIONS WITH NOTICE**

7.1 QUESTIONS WITH NOTICE - STAFF VACANCIES - SUBMITTED BY CR GRANT PIGGOTT

QUESTION WITH NOTICE: Staff Vacancies
SUBMITTED BY: Cr Grant Piggott
FILE REFERENCE: qA1040
ATTACHMENTS: Nil

BACKGROUND

Cr Piggott has submitted the following Question with Notice:

What were the staff vacancies outstanding at the City of Norwood Payneham & St Peters as at 15 April 2023?
What is the current status and likely date for their resolution?

REASONS IN SUPPORT OF QUESTION

Nil

**RESPONSE TO QUESTIONS
PREPARED BY CHIEF EXECUTIVE OFFICER**

As at 15 April 2023, the following staff positions were unfilled:

• **Field Staff & Depot Operations**

There are currently nine (9) vacant positions in the Field Staff and Depot Operations area. Over the last 12 months, this number of vacancies has remained fairly constant, due to the current labour shortages.

Where such positions are vacant, temporary contract staff are engaged, subject to availability – noting that temporary labour hire agencies are experiencing similar difficulties in finding staff.

The vacant positions are set out below:

- One (1) x Leading Worker (Tree Services) - Recruitment for this position is pending, again due to labour shortage.
- Senior Mechanic & Mechanic – These positions have become vacant following retirement of the incumbents. Interviews for the replacement of the Mechanic position are currently being held. The Senior Mechanic position will not be replaced and funds allocated to this position will be used to employ a staff member to work in one of the Field Staff areas (ie. Civil Maintenance, Parks & Gardens or Tree Services).
- Five (5) vacant positions in Civil Maintenance. An offer for one (1) position has been made and accepted and the person will commence on 8 May 2023 and one (1) person is currently undertaking pre-employment medical.

• **General Manager, Corporate & Community Services**

As Elected Members may recall, the functions within the Corporate & Community Services have been separated and a new Finance Unit reporting the Chief Executive Officer has been created.

This Unit will be headed up by the Principal Finance Officer who will officially commence duties on 1 May 2023.

- **Manager, Finance**

This position will not be replaced. Rather, in addition to the Principal Finance Officer, two (2) Finance Business Partner positions have been created – one of which will be an external appointment. Recruitment for these Finance Business Partner positions will commence shortly.

- **Manager, Library Services**

Recruitment for this position will commence within the next couple of weeks with the appointment scheduled to be made by mid-June 2023.

- **General Manager, Urban Services**

Recruitment for this position was scheduled for late April/early May. Recruitment commenced on 26 April 2023

- **Project Manager, Information, Communications & Tech Solutions**

As part of the restructure that was implemented in 2022, this position is no longer required.

Funds which have been allocated to this position, will be used to assist with the funding of the new positions set out in the draft 2023-2024 Budget submission.

- **Manager, City Projects**

As part of the restructure that was implemented in 2022, Jared Barnes was appointed to the position of Manager, City Projects as an internal appointment. Funds which have been allocated to this position will be used to recruit a Project Manager in 2023-2024 as set out in the draft 2023-2024 Budget submission. This position will be located in the City Projects Unit.

- **Strategic Planner**

There have been two (2) attempts to recruit for this position and no suitable candidates have been sourced.

To undertake the projects which have been assigned to this position, funds allocated for this position are being used to outsource work on the various projects which this position is responsible for completing.

At this stage, recruitment for this position will be undertaken post-30 June 2023.

- **Administration Assistant**

This position is currently filled by contract temporary staff.

8. **DEPUTATIONS**
Nil

9. **PETITIONS**

9.1 PETITION – PERCIVAL STREET NORWOOD – PEDESTRIAN WARNING SIGNS

REPORT AUTHOR: Executive Assistant, Governance & Civic Affairs
GENERAL MANAGER: Chief Executive Officer
CONTACT NUMBER: 8366 4549
FILE REFERENCE: qA120318
ATTACHMENTS: A

PURPOSE OF REPORT

The purpose of this report is to present a petition which has been received requesting the removal of the Pedestrian Warning Signs located in Percival Street, Norwood.

BACKGROUND

The petitioners are requesting the removal of the Pedestrian Warning Signs (Aged) located in Percival Street, Queen Street and Portrush Road.

A copy of the petition is contained in **Attachment A**.

In accordance with the Council's *Privacy Policy*, the personal information of the petitioners, (i.e., the street addresses) have been redacted from the petition. The names of the signatories and the suburb which have been included on the petition have not been redacted from the petition.

RELEVANT STRATEGIC DIRECTIONS & POLICIES

The relevant Goals contained in *CityPlan 2030* are:

Outcome 1: Social Equity

Objective 1.2: A people friendly, integrated and sustainable transport network.

Strategy:

1.2.4 Provide appropriate traffic management to enhance residential amenity.

DISCUSSION

The petitioners have advised that the Pedestrian Warning Signs, which have the wording "AGED", are causing the residents to feel unsafe and vulnerable by indicating that the residents in the area are elderly.

The signs are located at both ends of Percival Street, Norwood.

The petition has been signed by a total of 28 people, including the Convenor of the petition.

It is important to note, that of the 28 signatures, 23 signatures are in support of the removal of the Pedestrian Warning Signs, and 5 signatures are against the removal of the signs.



**Pedestrian Warning Sign –
Percival Street Norwood
(Entering from Queen Street)**



**Pedestrian Warning Sign –
Percival Street Norwood
(Entering from Portrush Road)**

The Council's *Local Area Traffic Management Policy* sets out the following process in respect to petitions which are received regarding traffic management issues:

Petitions

Petitions regarding traffic management issues which are received by the Council, will be referred to the Committee for consideration.

The Committee shall acknowledge the petition and note that Council staff will then investigate the issues which are raised through the petition. The process which will be used by Council staff in addressing the matter shall be the same as that which is set out in the Traffic Management Investigations Section of this Policy.

RECOMMENDATION

That the Convenor of the petition be advised that this matter will be referred to the Council's Traffic Management & Road Safety Committee, in accordance with the Council's *Local Area Traffic Management Policy*.

Attachments – Item 9.1

Attachment A

Petition Percival Street, Norwood Pedestrian Warning Signs

City of Norwood Payneham & St Peters
175 The Parade, Norwood SA 5067

Telephone 8366 4555
Facsimile 8332 6338
Email townhall@npsp.sa.gov.au
Website www.npsp.sa.gov.au



City of
**Norwood
Payneham
& St Peters**

PERCIVAL STREET "AGED" SIGN

The sign erected by CCH which is currently located on Percival Street, Norwood and reads "AGED" is not needed.

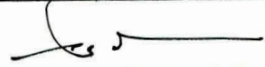
The sign makes the residents of Percival Street feel unsafe and more vulnerable, as it draws attention to the fact the residents are elderly. Our view is that it makes us more likely to suffer harm from offenders, as they will likely view the residents as easy targets.

We ask respectfully that it be removed in order to make us feel more safe and to remove the increased risks to our safety caused by this sign.

If you agree, please sign below:

NAME	ADDRESS	SIGNATURE
HELEN BURVILL	[REDACTED]	[REDACTED]
ANNMARIE PRESCOTT	[REDACTED]	[REDACTED]
JAN CHINNERY	[REDACTED]	[REDACTED]
Ella Adamson	[REDACTED]	[REDACTED]
Anne Nocka	[REDACTED]	[REDACTED]
Jude CRAWFORDS	[REDACTED]	[REDACTED]

I certify this to be a true and correct copy of the original document sighted at *NORWOOD* on *24.10.22*


Michael Richard Baldwin
JP # 25583
A Justice of the Peace
for South Australia

PERCIVAL STREET "AGED" SIGN

The sign erected by CCH which is currently located on Percival Street, Norwood and reads "AGED" is not needed.


The sign makes the residents of Percival Street feel unsafe and more vulnerable, as it draws attention to the fact the residents are elderly. Our view is that it makes us more likely to suffer harm from offenders, as they will likely view the residents as easy targets.

We ask respectfully that it be removed in order to make us feel more safe and to remove the increased risks to our safety caused by this sign.

If you agree, please sign below:

NAME	ADDRESS	SIGNATURE
Deb Tarca	[REDACTED]	[REDACTED]
Emily Tarca	[REDACTED]	[REDACTED]
Ed Johnson	[REDACTED]	[REDACTED]
M. LOON	[REDACTED]	[REDACTED]
A. Remedios	[REDACTED]	[REDACTED]
J. Tran	[REDACTED]	[REDACTED]
J. Lapsidge	[REDACTED]	[REDACTED]

I certify this to be a true and correct copy of the original document sighted at NORWOOD on 24.10.22


Michael Richard Baldwin
JP # 25583
A Justice of the Peace
for South Australia

PERCIVAL STREET "AGED" SIGN

The sign erected by CCH which is currently located on Percival Street, Norwood and reads "AGED" is not needed.


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We ask respectfully that it be removed in order to make us feel more safe and to remove the increased risks to our safety caused by this sign.

If you agree, please sign below:

NAME	ADDRESS	SIGNATURE
Pam Cobblestick John Cobblestick	[REDACTED] Norwood	[REDACTED]
Peter Dimiani	[REDACTED] Norwood	[REDACTED]
C Shute	[REDACTED] Norwood	[REDACTED]
T. NEILLY	[REDACTED] NORWOOD	[REDACTED]
C Telfer	[REDACTED] NORWOOD 5067	[REDACTED]
Marg McClure	[REDACTED] Norwood	[REDACTED]

I certify this to be a true and correct copy of the original document
sighted at *NORWOOD*
on *24. 10. 22*


Michael Richard Baldwin
JP # 25583
A Justice of the Peace
for South Australia

PERCIVAL STREET "AGED" SIGN

The sign erected by CCH which is currently located on Percival Street, Norwood and reads "AGED" is not needed.

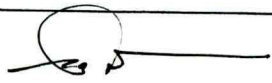
The sign makes the residents of Percival Street feel unsafe and more vulnerable, as it draws attention to the fact the residents are elderly. Our view is that it makes us more likely to suffer harm from offenders, as they will likely view the residents as easy targets.

We ask respectfully that it be removed in order to make us feel more safe and to remove the increased risks to our safety caused by this sign.

If you agree, please sign below:

NAME	ADDRESS	SIGNATURE
David Garrett	[REDACTED] Norwood	[REDACTED]

I certify this to be a true and correct copy of the original document
sighted at *NORWOOD*
on *24. 10. 22*


Michael Richard Baldwin
JP # 25583
A Justice of the Peace
for South Australia


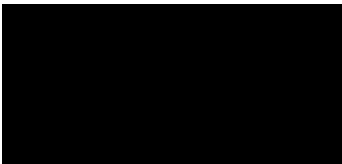
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We ask respectfully that it be removed in order to make us feel more safe and to remove the increased risks to our safety caused by this sign.

If you agree, please sign below:

NAME	ADDRESS	SIGNATURE
P THORNLEY		
	COPY	

PERCIVAL STREET "AGED" SIGN

The sign erected by CCH which is currently located on Percival Street, Norwood and reads "AGED" is not needed.

The sign makes the residents of Percival Street feel unsafe and more vulnerable, as it draws attention to the fact the residents are elderly. Our view is that it makes us more likely to suffer harm from offenders, as they will likely view the residents as easy targets.

We ask respectfully that it be removed in order to make us feel more safe and to remove the increased risks to our safety caused by this sign.

If you agree, please sign below:

NAME	ADDRESS	SIGNATURE
CHRISTINE EVANS	[REDACTED] NORWOOD SA 5063 [REDACTED]	[REDACTED]
	COPY	

PERCIVAL STREET "AGED" SIGN

The sign erected by UCA which is currently located on Percival Street, Norwood and reads "AGED" is not needed.

The sign makes the residents of Percival Street feel unsafe and more vulnerable, as it draws attention to the fact the residents are elderly. Our view is that it makes us more likely to suffer harm from offenders, as they will likely view the residents as easy targets.

We ask respectfully that it be removed in order to make us feel more safe and to remove the increased risks to our safety caused by this sign.

IF YOU DISAGREE, PLEASE SIGN BELOW

COPY

NAME	ADDRESS	SIGNATURE
SUSAN SHERIDAN + SUSAN MAGAREY	[REDACTED] Norwood	[REDACTED]
NICK NASH	[REDACTED]	[REDACTED]
RICHARD WILLING	[REDACTED]	[REDACTED]
Jan Lansley	[REDACTED] Norwood	[REDACTED]
AHHAGAN	[REDACTED]	[REDACTED]

				Norwood	Against
				Norwood	For
				Norwood	For

Total residents = 15

2 For 13 Against

Group C

Private Residents living in Percival St

Surname	Given name	Unit	Address	Vote
				Norwood For
				Norwood For
				Norwood For
				Norwood For
				Norwood For
				Norwood For
				Norwood For
				Norwood For
				Norwood For
				Norwood For
				Norwood Unknown

Total residents =10

9 For 1 Unknown

10. WRITTEN NOTICES OF MOTION

10.1 WRITTEN NOTICE OF MOTION - 2024 AUSTRALIAN FOOTBALL LEAGUE (AFL) GATHER ROUND - SUBMITTED BY MAYOR ROBERT BRIA

NOTICE OF MOTION: 2024 AFL Gather Round
SUBMITTED BY: Mayor Robert Bria
FILE REFERENCE: qA1039
ATTACHMENTS: A

Pursuant to Regulation 12(1) of the *Local Government (Procedures at Meetings) Regulations 2013*, the following Notice of Motion has been submitted by Mayor Robert Bria.

NOTICE OF MOTION

1. The Council advises the South Australian Government, the Australian Football League (AFL), Norwood Football Club and South Australia National Football League (SANFL), that it would like Norwood Oval to be selected as a venue for matches as part of the 2024 AFL Gather Round and beyond.
2. The Council authorises the Mayor and Chief Executive Officer to engage with relevant stakeholders as required, including the South Australian Government, the Norwood Football Club, the SANFL, the AFL and AFL football clubs (ie, Hawthorn Football Club), to assist in facilitation of matches being played at the Norwood Oval as part of the 2024 AFL Gather Round.
3. That \$100,000 be allocated as part of the Draft 2023-2024 Budget to meet the costs of events and activities associated with the 2024 Gather Round, should Norwood Oval be selected as a venue to host matches as part of the 2024 Gather Round.

REASONS IN SUPPORT OF MOTION

The 2023 AFL Gather Round has been an outstanding success for South Australia, with all nine (9) matches sold out and more than 200,000 tickets sold, including 60,000 to interstate fans and supporters. The two (2) matches that were played at Norwood Oval (Gold Coast versus Fremantle on Friday 14 April and Hawthorn versus GWS on Sunday 16 April), had more than 9,000 patrons attend each match, generating significant print, television, radio and social media coverage for the City of Norwood Payneham & St Peters and the Norwood Football Club. Examples of the media coverage have been included in the Elected Members' Weekly Communique.

As a result of this success, on Sunday 15 April 2023, the Premier announced that South Australia will host Gather Round again in 2024, 2025 and 2026 (although it will be some time before the dates and venues for next year's matches are announced).

In the brief discussions the Chief Executive Officer and I had with Mr Gillon McLachlan, Chief Executive Officer, Australian Football League and the Premier during the Gather Round weekend, both were complimentary of the Council regarding its professional relationship with the AFL, its investment in legacy infrastructure at Norwood Oval and its work with the Norwood Football Club to prepare the Norwood Oval for AFL football. Both Mr McLachlan and the Premier also made suggestions about how the Council can enhance the cultural experience on The Parade to capitalise on the large number interstate visitors coming to the precinct for football.

On Monday 17 April 2023, I was also pleased to learn through the media (sen.com.au) that the Hawthorn Football Club has expressed an interest in playing its 2024, 2025 and 2026 Gather Round matches at Norwood Oval and has approached the AFL to commence those discussions.

A copy of the Media Announcement is contained within **Attachment A**.

It is within this context that I believe it is prudent for the Council to commence discussions and negotiations early and formally register its interest that Norwood Oval again host matches as part of the 2024 AFL Gather Round. Similarly, it is important that the Council demonstrates its commitment by approving funding as part of its 2023-2024 Budget in the event that Norwood Oval is selected as a venue in 2024. Given the interest which is being shown by the Hawthorn Football Club, Part 3 of the Motion is to allow the Chief Executive Officer and I to open lines of communication with the Hawthorn Football Club to better understand the Club's views and ideas for the match and activities on The Parade with the aim of helping to facilitate a positive outcome regarding a future announcement for next year's Gather Round fixture.

**STAFF COMMENT
PREPARED BY THE CHIEF EXECUTIVE OFFICER**

It is clear that as a result of the of the outstanding success of the 2023 Gather Round, other venues will seek opportunities to take advantage of hosting matches.

With this Council's significant investment in new infrastructure at the Norwood Oval, the facilities are in place to host future AFL matches. Norwood Oval is a flexible venue to the extent that it can host both day and/or night matches which will assist in scheduling fixtures for the 2024 Gather Round.

In addition, as well as the 2023 Gather Round being successful from a Match Day and spectator experience, the impact on both the State and Local economy cannot be underestimated.

Overall, football is part of most Australian communities and Gather Round at Norwood Oval, brought back suburban football that was reminiscent of the community events pre-AFL.

Attachments – Item 10.1

Attachment A

Written Notice of Motion 2024 Australian Football League (AFL) Gather Round Submitted by Mayor Robert Bria

City of Norwood Payneham & St Peters
175 The Parade, Norwood SA 5067

Telephone 8366 4555
Facsimile 8332 6338
Email townhall@npsp.sa.gov.au
Website www.npsp.sa.gov.au



City of
Norwood
Payneham
& St Peters

HAWTHORN EYEING NORWOOD AS HOME AWAY FROM HOME IN GATHER ROUND

BY ASH BROWNE 4 DAYS AGO



Having long established Launceston as a home away from home, Hawthorn now wants Norwood Oval to be its home away from home during the Gather Round.

Following Sunday's announcement by the AFL and the South Australian government that the Gather Round will be remaining in South Australia for the next three years, the Hawks immediately contacted the AFL to request that it be fixtured at the storied Adelaide suburban venue on that weekend for the duration of the agreement.

Although the Hawks were pipped by two points by GWS after a brilliant mark and goal by Harry Himmelberg with less than two minutes to go, they were otherwise thrilled with the day.

More than 9000 fans packed the crowds and save for small pockets here and there, the crowd was overwhelmingly clad in brown-and-gold. Old timers said the Hawks haven't enjoyed overwhelming support like that at a suburban venue since they departed Glenferrie Oval 50 years ago.

The Hawks say they are happy for other clubs to clamour for games at Adelaide Oval next year. It is likely that one fewer game will be played in the city next year, with another rural game to be added, most likely in the Barossa Valley.

But the Hawks, who have a large and active South Australian supporter base, want to take over Norwood next year with activations and supporter functions in the nearby precinct and chief executive Justin Reeves has already contacted the AFL with that request.

Gather Round was a massive success for the AFL, with 220,000 fans attending the games at Adelaide Oval, Norwood and Mount Barker. More than 60,000 of those came from interstate, generating an estimated \$80 million for the local economy.

The AFL will move quickly to lock in the dates for next season so that fans can make their travel plans.

11. STAFF REPORTS

Section 1 – Strategy & Policy

Reports

11.1 BEHAVIOURAL SUPPORT POLICY- SECTION 75F OF THE *LOCAL GOVERNMENT ACT 1999*

REPORT AUTHOR: Manager, Governance & Legal
GENERAL MANAGER: General Manager, Governance & Civic Affairs
CONTACT NUMBER: 8336 4626
FILE REFERENCE: qA64306
ATTACHMENTS: A - B

PURPOSE OF REPORT

The purpose of this report is to provide advice to the Council to enable it to determine its position on whether the Council should adopt a *Behavioural Support Policy* as part of the *Behavioural Management Framework* for the purposes of Section 75F of the *Local Government Act 1999*.

BACKGROUND

As Elected Members may be aware, there were a number of reforms to the *Local Government Act 1999* (“the Act”), as specified under the *Statutes Amendment (Local Government Review) Act 2021*. These reforms have been implemented in stages during 2022 and will continue throughout 2023.

A number of reforms were proclaimed on 17 November 2022, with immediate effect to coincide with the 2022 Local Government Elections. Primarily, these reforms relate to the legislative scheme surrounding the *Behavioural Management Framework*, which incorporates the following:

- 1) the legislative framework under the Act;
- 2) the *Behavioural Standards for Council Members* (Behavioural Standards) pursuant to section 75E of the Act;
- 3) the mandatory *Behavioural Management Policy* adopted pursuant to Section 262B of the Act; and
- 4) *Behavioural Support Policy* (optional)(“the Support Policy”) adopted pursuant to Section 75F of the Act.

The main change to the *Behavioural Management Framework* was the replacement of the *Code of Conduct for Council Members* with the *Behavioural Standards*. Some of the provisions under the former Part 3 of the Code, are now specified in Part 4 Division 1 of the Act.

A copy of the *Behavioural Standards for Elected Members* is contained within **Attachment A**.

The Behavioural Standards Panel has also been established, which is an independent statutory authority comprising of three (3) Members with powers to impose sanctions on Elected Members who breach legislative and policy requirements, including alleged breaches of the former Part 2 of the Code.

The Council, must, also, prior to 10 November 2023, adopt a *Behavioural Management Policy* pursuant to Section 262B of the Act. The Local Government Association of South Australia (“LGA”) have prepared a “Model Behavioural Policy” which was approved on 23 August 2022, for the Council to use in accordance with the *Local Government (Transitional Provisions)(Conduct) Amendment Regulations 2022*. The transitional provisions deem that the *LGA Model Behavioural Policy* approved on 23 August 2022 is the applicable policy for the Council, until the Council has adopted a *Behavioural Management Policy*.

A copy of the *LGA Behavioural Management Policy* is contained within **Attachment B**.

The *Behavioural Management Policy* relates to the management of behaviour of members of the Council, and must include a number of provisions relating to the management of complaints. The policy must include the process and procedures for the making of, the assessment of, and the determination of complaints concerning the behaviour of Elected Members.

RELEVANT STRATEGIC DIRECTIONS & POLICIES

Not Applicable.

FINANCIAL AND BUDGET IMPLICATIONS

Not Applicable.

EXTERNAL ECONOMIC IMPLICATIONS

Not Applicable.

SOCIAL ISSUES

Not Applicable.

CULTURAL ISSUES

Not Applicable.

ENVIRONMENTAL ISSUES

Not Applicable.

RESOURCE ISSUES

The LGA has and is assisting Councils with the implementation of the reforms to the *Behavioural Management Framework*, by providing model policies, information on the reforms and other template documents, until such time that Councils have established their own policies and templates. This includes a *Model Behavioural Support Policy* dated March 2023, which has been prepared by the LGA to assist Councils consider whether to adopt a *Support Policy* within the statutory timeframe.

RISK MANAGEMENT

Elected Members have an obligation to serve in the best interests of the community and to discharge their duties conscientiously. This includes having knowledge of both the statutory requirements and the required standards relevant to their position, such as the principles of good governance. For example, it is good governance to implement the legislative framework under the Act.

While giving consideration to adopting a *Support Policy* is good governance, the Council is not mandated to do so under the Act. The Act allows the Council to consider adopting a *Support Policy* at any time in the future, and the Council **must** do so six (6) months after the next periodic election. The discretion of the Council to adopt a *Support Policy* needs to be balanced with the risk of potentially losing community confidence if a *Support Policy* is not adopted.

CONSULTATION

- **Elected Members**
Not Applicable.
- **Community**
Not Applicable.
- **Staff**
Chief Executive Officer
General, Manager, Governance & Civic Affairs
- **Other Agencies**
Local Government Association of South Australia.

DISCUSSION

Commencing from 17 November 2022, the reforms to the *Behavioural Standards Framework* now apply to Elected Members. Part of the reforms include Councils giving consideration to adopting a *Support Policy* to support the Behavioural Standards within six (6) months from the conclusion of the election, which for this Council is **18 May 2023**. The *Support Policy* must be consistent with the Behavioural Standards and must comply with any provision of the Behavioural Standards.

Section 75F of the Act is the relevant provision that provides for the adoption of a Support Policy. Section 75F states:

75F - Council behavioural support policies

- (1) *A council may prepare and adopt policies designed to support appropriate behaviour by members of the council ("behavioural support policies").*
- (2) *A behavioural support policy may –*
 - (a) *specify directions relating to behaviour that must be observed by members of the council; and*
 - (b) *set out guidelines relating to compliance by members with the behavioural standards and directions under paragraph (a); and*
 - (c) *include any other matter relating to behaviour of members considered appropriate by the council.*
- (3) *A behavioural support policy –*
 - (a) *must not be inconsistent with the behavioural standards; and*
 - (b) *must comply with any requirement specified by the behavioural standards.*
- (4) *A member of a council must comply with the council's behavioural support policies.*
- (5) *A council may from time to time alter a behavioural support policy, or substitute a new policy.*
- (6) *Before a council –*
 - (a) *adopts a behavioural support policy; or*
 - (b) *alters, or substitutes, a behavioural support policy,*
the council must undertake public consultation on the behavioural support policy, alteration or substituted policy (as the case may be).
- (7) *A council must, within 6 months after the conclusion of each periodic election –*
 - (a) *in the case of a council that has 1 or more behavioural support policies in effect under this section— review the operation of the behavioural support policies and consider whether it should adopt additional behavioural support policies; or*
 - (b) *in any other case—consider whether it should adopt behavioural support policies.*

Section 75F(2) of the Act sets out the intent of the *Support Policy*, which is to specify the direction relating to behaviours, setting guidelines relating to compliance with the Behavioural Standards and include any other matters relating to the behaviour of Elected Members considered appropriate by the Council.

For example, the *LGA Model Behavioural Support Policy*, dated March 2023, contains the following:

- 1) The Legal Framework, which explains all of the components of the Behavioural Framework;
- 2) The relevant provisions of the Act that apply to the *Support Policy*;
- 3) Elected Member commitments, which outlines the shared values and behaviours of Elected Members. These shared values and behaviours include a commitment to:
 - a. Recognition that the duty of an Elected Member carries a high degree responsibility and trust of the community to act and make decisions in the best interests of the Council, and the community.
 - b. Establishing and maintaining relationships of trust, respect, confidentiality, collaboration, cooperation with other Elected Members and Council employees.
 - c. Taking care in expressing views regarding Council business and the conduct of other Elected Members and Council employees.
 - d. Conduct of Elected Members at Council meetings.
 - e. The continuing review of the values and behaviours by Elected members through the four-year term.
- 4) Other matters relating to the behaviour of Elected Members which include:
 - a. The use of the media as an Elected Member, which includes guidelines for the expression of personal views through the media and the parameters around this.
 - b. Community and engagement, which includes the expectations on Elected Members to communicate and engage with the community on Council's key directions and other Council matters.

If a *Support Policy* is adopted by the Council, an Elected Member must comply with the Policy. A breach of the *Support Policy* will be dealt with under the *Behavioural Management Policy*.

As this is the first time this provision has been in operation following a periodic election, the obligation is **only for the Council to consider** whether it will adopt a *Support Policy* (or polices). There is no obligation on the Council to adopt a *Support Policy* under the Act.

In addition, if the Council determines to adopt a *Support Policy*, Section 75F(6) of the Act requires the Council to undertake public consultation on the contents of the *Support Policy*. Public consultation consists of providing Notice of the proposed Policy on the Council's website, The Advertiser and the South Australian Government Gazette, and invite submissions from the community about the merits of the Council adopting a *Support Policy*.

If the Council resolves to consider adopting a *Support Policy*, the following process is proposed:

- 1) An Information or Briefing Session with Elected Members to discuss the scope and the content of the *Support Policy*, including the intended behaviours to be addressed in the *Support Policy*.
- 2) Based on the Information or Briefing Session, the Chief Executive Officer will prepare a draft *Support Policy* will be prepared for the Council's consideration and endorsement for the purposes of undertaking public consultation.
- 3) Undertake Public Consultation.
- 4) Present the summary of the comments received as part of the Public Consultation to the Council for consideration.
- 5) Prepare the final *Support Policy* for the Council's consideration and adoption.

It is intended to present the *Behavioural Management Policy* and the *Support Policy* (if adopted) as one "document" comprising of separate polices that are relevant to the *Behavioural Standards Framework*. This will ensure that the *Behavioural Standards Framework* is easily accessible by Elected Members and the community.

As part of the reforms to the legislative scheme relating to the *Behavioural Management Framework*, the Council will be updating its *Elected Member Code of Conduct Complaints Handling Policy*. This is likely to require a fresh policy incorporating the requirements of a *Behavioural Management Policy*. The reforms to the *Behavioural Management Framework* may also require amendments to other Council policies that refer to the *Elected Member Code of Conduct Complaints Handling Policy*.

OPTIONS

The Council has two (2) options in respect to this matter. The Council can resolve **to** consider adopting a *Support Policy*, or resolve **not to** consider adopting a *Support Policy*. As discussed, any resolution of the Council not to consider adopting a *Support Policy*, does not preclude the Council from adopting a *Support Policy* in the future.

An advantage of adopting a *Support Policy*, is that the policy can address matters that will not be covered under the *Behavioural Management Policy* or other Council policies. For example, the *Support Policy*, may include provisions relating to Elected Member and staff interactions, which provides protocols for Elected Members when interacting and requesting information from staff. Developing a clear process for interactions between Elected Members and staff will ensure that appropriate channels are used by Elected Members when making requests from staff, and that staff respond to these requests in a timely manner.

However, the Council can determine that given the number of reforms relating to the *Behavioural Management Framework*, it may be appropriate to defer adopting a *Support Policy* to the future to allow time for the current reforms to be implemented and established. However, the legislative scheme does contemplate that a *Support Policy* will support or supplement the Behavioural Standards.

CONCLUSION

As foreshadowed, a decision of the Council to not consider adopting a *Support Policy* does not prevent the Council from considering adopting a *Support Policy* at some stage in the future. All that is mandated under the Act, is for Councils to establish a *Behavioural Management Policy* relative to the management of Elected Member behaviour by the Council.

COMMENTS

The General Manager, Governance & Civic Affairs and the Manager, Governance & Legal will be responsible for facilitating public consultation and for drafting the *Behavioural Support Policy* (if required).

RECOMMENDATION

That the Council resolve to consider adopting a *Behavioural Support Policy* pursuant to section 75F of the *Local Government Act 1999*.

Attachments – Item 11.1

Attachment A

Behavioural Support Policy Section 75F of the *Local Government Act 1999*

City of Norwood Payneham & St Peters
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City of
Norwood
Payneham
& St Peters

LOCAL GOVERNMENT ACT 1999

SECTION 75E OF THE LOCAL GOVERNMENT ACT 1999

Behavioural Standards for Council Members

The Behavioural Standards for Council Members (Behavioural Standards) are established by the Minister for Local Government pursuant to section 75E of the *Local Government Act 1999* (the Act). These Behavioural Standards form part of the conduct management framework for council members under the Act.

Statement of Intent

Upon election, council members in South Australia undertake to faithfully and impartially fulfil the duties of office in the public interest, to the best of their judgment and abilities and in accordance with the Act. Council members are required to act with integrity, serve the overall public interest and provide community leadership and guidance.

The community expects council members to put personal differences aside, to focus on the work of the council and to engage with each other and council employees in a mature and professional manner.

Behavioural Standards

These Behavioural Standards set out minimum standards of behaviour that are expected of all council members in the performance of their official functions and duties. The Behavioural Standards are mandatory rules, with which council members must comply.

Adherence to the Behavioural Standards is essential to upholding the principles of good governance in councils.

Councils may adopt Behavioural Support Policies which, amongst other things, may include additional matters relating to behaviour that must be observed by council members. A breach of these Behavioural Standards or a council's Behavioural Support Policy:

- will be dealt with in accordance with the council's Behavioural Management Policy; and
- may be referred to the Behavioural Standards Panel in accordance with section 262Q of the Act.

Council members must comply with the provisions of these Behavioural Standards in carrying out their functions as public officials. It is the personal responsibility of Council members to ensure that they are familiar with, and comply with, these Standards at all times.

These Behavioural Standards are in addition to, and do not derogate from, other standards of conduct and behaviour that are expected of council members under the Act, or other legislative requirements. Conduct that constitutes, or is likely to constitute, a breach of the integrity provisions contained in the Act, maladministration, or which is criminal in nature, is dealt with through alternative mechanisms.

These Behavioural Standards are designed to ensure council members act in a manner consistent with community expectations and form the basis of behaviour management for council members.

Constructive and effective relationships between council members, council employees and the community are essential to building and maintaining community trust and successful governance in the local government sector.

Council members must:**1. General behaviour**

- 1.1 Show commitment and discharge duties conscientiously.
- 1.2 Act in a way that generates community trust and confidence in the Council.
- 1.3 Act in a manner that is consistent with the Council's role as a representative, informed and responsible decision maker, in the interests of its community.
- 1.4 Act in a reasonable, just, respectful and non-discriminatory way.
- 1.5 When making public comments, including comments to the media, on Council decisions and Council matters, show respect for others and clearly indicate their views are personal and are not those of the Council.

2. Responsibilities as a member of Council

- 2.1 Comply with all applicable Council policies, codes, procedures, guidelines and resolutions.
- 2.2 Take all reasonable steps to provide accurate information to the community and the Council.
- 2.3 Take all reasonable steps to ensure that the community and the Council are not knowingly misled.
- 2.4 Take all reasonable and appropriate steps to correct the public record in circumstances where the Member becomes aware that they have unintentionally misled the community or the Council.
- 2.5 Act in a manner consistent with their roles, as defined in section 59 of the Act.
- 2.6 In the case of the Principal Member of a Council, act in a manner consistent with their additional roles, as defined in section 58 of the Act.
- 2.7 Use the processes and resources of Council appropriately and in the public interest.

3. Relationship with fellow Council Members

- 3.1 Establish and maintain relationships of respect, trust, collaboration, and cooperation with all Council members.
- 3.2 Not bully other Council members.
- 3.3 Not sexually harass other Council members.

4. Relationship with Council employees

- 4.1 Establish and maintain relationships of respect, trust, collaboration, and cooperation with all Council employees.
- 4.2 Not bully Council employees.
- 4.3 Not sexually harass Council employees.

Definitions

For the purposes of these Behavioural Standards, a Council's Behavioural Support Policy (if adopted) and a Council's Behavioural Management Policy, the following definitions apply:

An elected member will be considered to **bully** other Council members or Council employees if:

the Council member either, as an individual Council member or as a member of a group:

- a) repeatedly behaves unreasonably towards another Council member, or employee; and
- b) the behaviour could reasonably be considered to be distressing, victimising, threatening or humiliating.

Note -

If this behaviour adversely affects the health and safety of another council member or council employee, it must be addressed under section 75G of the Act and may be referred to the Behavioural Standards Panel as ‘serious misbehaviour’ under sections 262E and 262Q of the Act.

An elected member will be considered to *sexually harass* other Council members or Council employees if:

the Council member either, as an individual Council member or as a member of a group:

- a) makes an unwelcome sexual advance, or an unwelcome request for sexual favours, to another Council member, or employee (the person harassed); or
- b) engages in other unwelcome conduct of a sexual nature in relation to the person harassed, in circumstances in which a reasonable person, having regard to all the circumstances, would have anticipated that the person harassed would be offended, humiliated, or intimidated.

Note -

If this behaviour adversely affects the health and safety of another council member or council employee, it must be addressed under section 75G of the Act and may be referred to the Behavioural Standards Panel as ‘serious misbehaviour’ under sections 262E and 262Q of the Act.

Conduct of a sexual nature includes making a statement of a sexual nature to a person, or in the presence of a person, whether the statement is made orally or in writing.

Council employees include volunteers, persons gaining work experience and contractors.

The following behaviour **does not** constitute a breach of these Standards:

- robust debate carried out in a **respectful** manner between Council Members; or
- A reasonable direction given by the Presiding Member at a council meeting, council committee meeting or other council-related meeting (such as a working group or an information or briefing session); or
- A reasonable direction carried out by the Council CEO/responsible person pursuant to section 75G of the Act in relation to the behaviour of a Council Member that poses a risk to the health or safety of a council employee.

Requirement applying to behavioural management policies of councils

Behavioural management policies of councils must provide for a Behavioural Standards Panel contact officer. Councils must appoint a person as the contact officer for matters referred to the Behavioural Standards Panel. The contact officer is responsible for the provision of information to and receipt of notice from the Behavioural Standards Panel.

Commencement

The Behavioural Standards come into operation on the day on which it is published in the Gazette.

Dated: 3 November 2022

HON GEOFF BROCK MP
Minister for Local Government

LOCAL GOVERNMENT ACT 1999
DETERMINATION UNDER SECTIONS 72A(2) AND 119A(2)
Register of Gifts and Benefits

For the purposes of sections 72A(2) and 119A(2) of the *Local Government Act 1999*, I, Geoffrey Graeme Brock, **Minister for Local Government** in the State of South Australia, hereby **DETERMINE** the amount of \$50.

This determination will come into operation on the day on which section 36 of the *Statutes Amendment (Local Government Review) Act 2021* comes into operation.

Dated: 3 November 2022

HON GEOFF BROCK MP
Minister for Local Government

LOCAL GOVERNMENT ACT 1999
SCHEDULE 3 CLAUSE 2(A1) OF THE LOCAL GOVERNMENT ACT 1999
REGULATION 9 OF THE LOCAL GOVERNMENT (GENERAL) REGULATIONS 2013

Determination of Form of Returns—Register of Interests for Members and Officers of a Council

I, Geoffrey Graeme Brock, **Minister for Local Government** in the State of South Australia, under Schedule 3 clause 2(a1) of the *Local Government Act 1999* (the Act) and Regulation 9 of the *Local Government (General) Regulations 2013* (the Regulations), hereby **DETERMINE**:

- the form of the return in Annexure 1 as the form for a primary return under section 65 of the Act;
- the form of the return in Annexure 2 as the form for an ordinary return under section 66 of the Act;
- the form of the return in Annexure 3 as the form for a primary return under regulation 9(5) of the Regulations;
- the form of the return in Annexure 4 as the form for an ordinary return under regulation 9(6) of the Regulations

Dated: 3 November 2022

HON GEOFF BROCK MP
Minister for Local Government

Attachment B

Behavioural Support Policy Section 75F of the *Local Government Act 1999*

City of Norwood Payneham & St Peters
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City of
Norwood
Payneham
& St Peters

Model Behavioural Management Policy

August 2022



This model policy was developed in preparation for the commencement of the Behavioural Management Framework as part of the implementation of the Statutes Amendment (Local Government Review) Act 2021 and associated changes to the Local Government Act 1999 and endorsed by the LGA Board on 23 August 2022.

This resource has been prepared by the Local Government Association of SA (LGA) to assist councils with implementation of legislative changes arising from Local Government Reforms, incorporating advice from Norman Waterhouse Lawyers, for the guidance of and use by member councils.

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Foreword

This model policy document has been developed to assist councils with the implementation of reforms associated with behavioural management for council members, arising from the *Statutes Amendment (Local Government Review) Act 2021*.

All councils must adopt a Behavioural Management Policy relating to the management of behaviour of council members, including the process for receipt and management of a complaint received regarding the conduct of a council member.

Section 262B of the *Local Government Act 1999* (the Local Government Act) sets out a range of matters that must be included within the policy and requires that council review the operation of the Behavioural Management Policy within 12 months after the conclusion of each periodic election.

Legal Framework

There are four components to the Elected Member Behavioural Management Framework (BMF).

- Part 1 The legislative framework within which all council members must operate.
- Part 2 The Behavioural Standards for Council Members, determined by the Minister for Local Government (developed in consultation with the local government sector), which apply to all council members in South Australia.
- Part 3 The mandatory *Behavioural Management Policy* relating to the management of behaviour of council members and adopted pursuant to section 262B of the Local Government Act.
- Part 4 Optional *Behavioural Support Policy* (or policies), designed to support appropriate behaviour by council members and adopted pursuant to section 75F of the Local Government Act.

In addition, the Behavioural Standards Panel, an independent statutory authority comprising three members with powers to impose sanctions on council members who breach legislative and policy requirements has been established¹ to assess and deal with matters referred to it.

LGA Mutual Liability Scheme and LGA Workers Compensation Scheme

In managing matters within the scope of the Behavioural Management Framework, councils must also adhere to the Local Government Association Mutual Liability Scheme (LGAMLS) and/or the Local Government Association Workers Compensation Scheme (LGAWCS) Rules. Where an incident, circumstance or matter occurs which may give rise to a claim, councils must provide notice to the LGAMLS and/or LGAWCS in accordance with the LGAMLS & LGAWCS Scheme Rules. The provision of early notice allows for adequate risk management and prevention strategies to be put in place so as to absolutely minimise risk.

¹ Chapter 13, Part A1—Member Behaviour, Division 2—Behavioural Standards Panel, *Local Government Act 1999*

Commencement of Behavioural Management Framework

The provisions relevant to the Behavioural Management Framework are intended to commence immediately following the 2022 council periodic elections. At this time, the Behavioural Standards for Council Members will replace the former Code of Conduct for Council Members. At the same time, the investigative and disciplinary powers of the Behavioural Standards Panel will commence.

To support councils' compliance with the Behavioural Management Framework requirements, transitional provisions will be enacted which will deem the LGA's Model Policy as *the* Behavioural Management Policy for each council. At any time afterwards, councils can review their Behavioural Management Policy and determine any changes it may wish to make to the document.

The LGA Model Behavioural Management Policy was developed in consultation with Local Government Risk Services, the Office of Local Government and the LGA's *Legal Connect* partners, Norman Waterhouse Lawyers. The Model Policy sets the framework which is consistent with the legislative requirements. However, there are a range of matters within the Policy that councils may wish to customise to meet requirements specific to each council when consideration is given to changes to the Policy.

The LGA Model Behavioural Management Policy reflects the changes to the role of the principal member of council, set out in section 58 of the *Local Government Act 1999*. Consistent with the increased leadership obligations, the Policy assigns responsibility for the management of complaints to the Mayor (except in circumstances where the complaint relates to the conduct of the Mayor). Councils may determine and appoint an alternative person to be responsible for managing any complaints received in accordance with this Policy.

Councils are required to consider the adoption of a Behavioural Support Policy (or policies)² and the LGA has developed a model Behavioural Support Policy to assist with that consideration. Behavioural Support Policies are intended to support appropriate behaviours by members of the council and will assist with meeting obligations relating to leadership and positive and constructive working relationships as set out in sections 58 and 59 of the *Local Government Act*.

² Section 75F(7) of the *Local Government Act 1999* requires councils, within six months after the conclusion of each periodic election to review the operation of existing Behavioural Support Policies, or consider whether it should adopt a Behavioural Support Policy.

Behavioural Management Policy

Responsibility	Chief Executive Officer
Effective date	From the day on which section 147(6) of the Statutes Amendment (Local Government Review) Act 2021 comes into operation
Next review date	Refer to regulation 16 of the <i>Local Government (Transitional Provisions) (Conduct) Amendment Regulations 2022</i>
Applicable Legislation	Local Government Act 1999 s262B <i>Local Government (Transitional Provisions) (Conduct) Amendment Regulations 2022</i>

1. Purpose

This Policy has been prepared and adopted pursuant to section 262B of the *Local Government Act 1999* (the Local Government Act).

This Behavioural Management Policy forms part of the Behavioural Management Framework for council members and sets out the approach to the management of complaints about the behaviour of council members. It sets out the process to be adopted where there has been an alleged breach of the Behavioural Standards for Council Members, this Behavioural Management Policy and/or any Behavioural Support Policy adopted by the Council (***the behavioural requirements***).

2. Glossary

Behavioural Management Framework – comprises four components:

- The legislative framework within which all council members must operate;
- The Behavioural Standards for Council Members, determined by the Minister for Local Government, which apply to all council members in South Australia;
- The mandatory Behavioural Management Policy (this document) relating to the management of behaviour of council members and adopted pursuant to section 262B of the Local Government Act;
- Optional Behavioural Support Policy (or policies) designed to support appropriate behaviour by council members and adopted pursuant to section 75F of the Local Government Act.

behavioural requirements – in this document refers collectively and individually to the Behavioural Standards for Council Members, the Behavioural Management Policy and any Behavioural Support Policies adopted by the Council.

Behavioural Standards for Council Members – established by the Minister for Local Government, and published as a notice in the SA Government Gazette, specifying standards of behaviour to be observed by members of councils; and providing for any other matter relating to behaviour of members of councils.

frivolous – includes without limitation, a matter of little weight or importance, or lacking in seriousness.

misbehaviour – is defined in section 262E of the *Local Government Act 1999* as:

- (a) A failure by a member of a council to comply with a requirement of the council under section 262C(1); or
- (b) A failure by a member of a council to comply with a provision of, or a requirement under, the council's behavioural management policy; or
- (c) A failure by a member of a council to comply with an agreement reached following mediation, conciliation, arbitration or other dispute or conflict resolution conducted in relation to a complaint under Division 1

person responsible for managing the complaint means, subject to any resolution of the Council to the contrary –

1. the Mayor;
2. if the complaint relates to or involves the Mayor, the Deputy Mayor;
3. if the complaint relates to or involves the Mayor and Deputy Mayor, another council member appointed by Council.

repeated misbehaviour – is defined in section 262E of the *Local Government Act 1999* as a second or subsequent failure by a member of a council to comply with Chapter 5 Part 4 Division 2 (Ch 5- Members of council, Pt 4-Member integrity and behaviour, Div 2-Member behaviour)

serious misbehaviour – is defined in section 262E of the *Local Government Act 1999* as a failure by a member of a council to comply with section 75G (Health and safety duties)

trivial – includes without limitation, a matter of little worth or importance; that is trifling; or insignificant.

vexatious – includes a matter raised without reasonable grounds or for the predominate purpose of causing annoyance, delay or detriment, or achieve another wrongful purpose

3. Principles

Nothing in this Policy is intended to prevent council members from seeking to resolve disputes and complaints in a proactive, positive and courteous manner before they are escalated.

The following principles will apply:

- Where a council member considers there has been behaviour that is inconsistent with the **behavioural requirements** is, a council member may, in appropriate circumstances, seek to respectfully and constructively raise this issue with the member concerned, without the need to lodge a complaint under this Policy;
- If a matter proceeds to a complaint, all council members will continue to comply with the procedures set out in this Policy and support the person responsible for managing the complaint;
- a consistent approach to the assessment, investigation and resolution of complaints will be adopted to facilitate timely and efficient resolution and minimisation of costs;

- Where required, Council may engage the assistance of skilled advisors and support persons in the assessment, investigation and resolution of complaints and avoid adopting an unreasonably legalistic approach.
- ongoing training and relevant resources will be provided to all council members to ensure they have the skills and knowledge necessary to perform their role in accordance with the **behavioural requirements** and the *Local Government Act 1999*.
- training and relevant support will be provided to persons with specific obligations under this Policy to facilitate the management, reporting and resolution of complaints alleging a breach of the **behavioural requirements**.

Council will manage complaints under this Policy with as little formality and technicality and with as much expedition as the requirements of the matter and the Local Government Act allow and with proper consideration of the matter. Council is not bound by rules of evidence but will inform itself in the manner considered most appropriate given the nature of the complaint.

4. The Complaint Management Process

This Policy sets out the procedures for dealing with an allegation of a breach of the **behavioural requirements** applying to council members. These procedures do not apply to complaints about council employees or the council as a whole.

A complaint made in accordance with this Policy must be lodged within 6 months of the behaviour that is inconsistent with the **behavioural requirements** occurring. A decision may be made to accept a complaint lodged more than 6 months after the behaviour that is inconsistent with the **behavioural requirements** occurring on a case-by-case basis, at the discretion of the person responsible for managing the complaint.

Community members can lodge a complaint with the Council in accordance with this Policy but cannot lodge a complaint directly with the Behavioural Standards Panel.

4.1. Dispute versus Complaint

It is important to distinguish between a dispute and a complaint. A dispute is generally a difference of opinion or disagreement between two parties. It may involve a heated discussion or some other unsatisfactory exchange between parties but may not amount to conduct inconsistent with the **behavioural requirements**. Ideally disputes will be handled directly by the parties involved and will not escalate to a complaint requiring action (even informal action) under this Policy. The Mayor (or another person) may play a role in facilitating a resolution to a dispute.

This Policy is intended to deal with matters where conduct is alleged to have been inconsistent with the **behavioural requirements**, rather than where members of council have differences of opinion, even when robustly put.

4.2. Confidentiality

Complaints made in accordance with this Policy will be managed on a confidential basis until such a time as they are required to be reported to Council in a public meeting in accordance with this Policy or are otherwise lawfully made public or disclosed.

Access to information relating to complaints and information about complaints will be limited to parties to the complaint and individuals with a responsibility within the complaint handling process or as otherwise provided for within this Policy³.

A person who has access to information about a complaint (including the complainant and the person complained about) must not directly, or indirectly disclose to any person (including to a council member) that information except:

- For the purpose of dealing with the complaint
- Where required by law
- For the purpose of obtaining legal advice or legal representation, or medical or psychological assistance from a medical practitioner, psychologist or counsellor
- Where the disclosure is made to an external party, investigating the complaint, or mediator/conciliator engaged in accordance with this Policy
- Where the information has been made public in accordance with this Policy or this Policy otherwise authorises or requires the disclosure of the information.

This is not to be confused with formal consideration at a Council Meeting of any matter arising from application of this Policy. Items presented to Council must be assessed on a case-by-case basis in accordance with the requirements of section 90 of the *Local Government Act 1999*.

A complainant may request their identity be kept confidential from the person complained about. This does not constitute an anonymous complaint. The person responsible for managing the complaint will consider such requests on a case-by-case basis, having regard to any applicable legal requirements.

4.3. Stages of Action

This Policy has three distinct stages to the approach that will be taken to address complaints about the behaviour of Council Members:

- Part 1: Informal Action: Where the matter can be resolved directly between the parties.
- Part 2: Formal Action: Where the matter cannot be resolved using informal action and a formal process of consideration is required.
- Part 3: Referrals to the Behavioural Standards Panel: the circumstance under which the Mayor, the Council or other authorised person(s) will make a referral.

4.4. Part 1: Informal action

Council encourages informal resolution of concerns regarding behaviour alleged to be contrary to the **behavioural requirements**. A person may therefore consider raising the matter directly with the council member concerned.

Alternatively, a person may raise their concern with the Mayor on an informal basis. If the concerns relate to or involve the Mayor the person may raise the matter with the Deputy Mayor (if appointed) or

³ There are circumstances in the *Work Health and Safety Act 2012* where information must be disclosed, for example where the health and safety of an employee is at risk.

other council member appointed by the Council as the person responsible for managing complaints under this Policy.

If the Mayor or person responsible for managing the complaint considers that access to resources to support impacted parties and facilitate early resolution of the matter should be provided, the Mayor or person responsible for managing the complaint will request the CEO to facilitate access to relevant resources. The CEO will not refuse any reasonable request for resources made in accordance with this Policy.

4.4.1. Record keeping

Where the Mayor or person responsible for managing the complaint addresses the matter through informal action, a record should be made setting out:

- Details of the complainant
- Details of the person complained about
- A summary of the matter
- A summary of actions taken in response
- Details of agreed actions (if any)

If informal action does not successfully resolve the matter, the record may be made available to an investigation process as provided for under this Policy or to the Behavioural Standards Panel.

4.5. Part 2: Formal action

This Part sets out the process for formal action in response to a complaint regarding the behaviour of council members and addresses the manner in which a complaint will be:

- Received
- Assessed
- Investigated
- Resolved
- Recorded

A complaint made under the Behavioural Management Policy must:

- be received in writing. Subject to an alternative resolution of the Council, a complaint should be marked with “Confidential Council Member Complaint” and forwarded to the relevant email or physical address as published on the Council’s website.
- Provide the name of the council member who has allegedly breached the **behavioural requirements**, the name and contact details of the complainant, the name and contact details of the person submitting the complaint (if different to the complainant) and the name and contact details of any witnesses or other persons able to provide information about the complaint.
- Be specific (including identifying the **behavioural requirements** the complainant alleges have been breached)

- Provide as much supporting evidence as possible to assist an investigation, including the grounds and circumstances of the complaint (e.g. where, when, impact of the behaviour, actions taken to try to resolve the issue, relevant records or documents)
- Identify the outcome being sought
- Be lodged within six (6) months of the alleged conduct occurring on the basis that it is important to address alleged breaches of **behavioural requirements** in a timely manner (with discretion provided to the person responsible for managing the complaint to allow a longer time limit to apply in particular cases. This will be assessed on a case-by-case basis).

4.5.1. Receipt of a Complaint

This step is an administrative process undertaken by the CEO or delegate:

- receipt
- initial acknowledgement
- record keeping; and
- allocation of the matter to the person responsible for managing the complaint.

The CEO or delegate does not undertake an assessment of the merits of the complaint.

Receipt of the complaint will be acknowledged within 2 business days or as soon as reasonably practicable and a copy of this Policy will be provided to the person making the complaint.

The complaint should be directed to the person responsible for managing the complaint in accordance with this Policy.

A complainant may withdraw their complaint at any stage.

4.5.2. Initial complaint assessment

An initial assessment is not an investigation or adjudication of a complaint and no findings as to the merits of the complaint will be made at this stage.

Step 1

The person responsible for managing the complaint will undertake an assessment of it to determine whether the content of the complaint relates to the **behavioural requirements** and whether the conduct occurred in the context of the council member carrying out their official functions and duties.

In undertaking the assessment, the person responsible for managing the complaint will have regard to the following matters⁴:

- the person that is making the complaint (or on whose behalf the complaint has been made) has a sufficient interest in the matter
- the complaint is trivial, frivolous or vexatious or not made in good faith

⁴ The person responsible for managing the complaint will also have regard to whether the council has obligations to report the matter to either the Local Government Association Mutual Liability Scheme (LGAMLS) or the Local Government Association Workers Compensation Scheme (LGAWCS), pursuant to the Rules of those Schemes and council's agreement with those bodies.

- the complaint has been lodged with another authority
- the subject matter of the complaint has been or is already being investigated by the Council or another body
- it is unnecessary or unjustifiable for the Council to deal with the complaint
- the council has dealt with the complaint adequately.

Step 2

If the person responsible for managing the complaint considers the matter warrants further consideration, the person complained about should be advised that a complaint has been received and is undergoing an initial assessment in accordance with this Policy. They should be provided a summary of the matter, at a sufficient level of detail, to understand the nature of the allegations and enable them to provide a preliminary response. This may be achieved by a discussion between the person responsible for managing the complaint and the person complained about, taking into account the principles of this Policy. The person complained about may have a support person present during any discussions.

The person complained about should be given a reasonable opportunity, but no more than ten business days, to provide a response to support the initial assessment. The person responsible for managing the complaint may provide a longer period of time for provision of a response at their discretion. The person responsible for managing the complaint should have regard to any response provided in determining the action resulting from the initial assessment.

Action from initial assessment

The person responsible for managing the complaint will determine what action will result from the initial assessment. A matter may proceed to formal consideration under this Policy, unless there are grounds to take one of the following actions pursuant to section 262B(2)(b):

- refusing to deal with the complaint⁵
- determining to take no further action
- referring to an alternative resolution mechanism or to propose training for relevant parties (e.g. facilitated discussion, provision of training, mediation, arbitration, conflict resolution, etc.)
- referring the matter to another body or agency (e.g., the Ombudsman SA or the Behavioural Standards Panel)

The outcome of the initial assessment will be advised to the complainant and person complained about in writing as far as is permitted by law.

Refusing to deal with the complaint/Determining to take no further action

Where the person responsible for managing the complaint makes a decision not to proceed with formal consideration of the matter the following steps should be taken:

⁵ Section 270(4a)(a)(i) of the *Local Government Act 1999* precludes a review of a decision to refuse to deal with the complaint

- the complainant must be provided written reasons explaining the decision⁶
- the person complained about should be provided with a brief summary of the complaint and the reasons for not proceeding.
- A record of these steps and the decision not to proceed should be made.

Whilst a matter may not proceed, the person responsible for managing the complaint may discuss the issues informally with the parties and identify strategies to build skills, facilitate positive relationship development and reduce the likelihood of repeat occurrences.

Decision to refer to alternative resolution mechanism:

The person responsible for managing the complaint may form the view that the optimal way to deal with the complaint is to implement an alternative resolution mechanism such as facilitated discussion, mediation, arbitration, conflict resolution or training.

The person responsible for managing the complaint should discuss the use of a proposed alternative resolution mechanism with the complainant and the person complained about to determine whether there is support for this approach.

If so, the person responsible for managing the complaint should request the CEO take steps to facilitate access to appropriate internal or external support (not being for the purposes of obtaining legal advice) for parties to the complaint. The CEO will not refuse any reasonable request for resources made in accordance with this Policy.

The complainant and the person complained about should be provided written confirmation of the alternative resolution mechanism to be used for the purposes of resolving the complaint.

Decision to refer to another body or agency

Where the person responsible for managing the complaint makes a decision to refer the matter to another body or agency the person will follow any direction from that body or agency regarding what information is to be provided to the complainant and the elected member complained about regarding the referral.

Decision to proceed to formal consideration:

Where the person responsible for managing the complaint makes a decision to proceed to formal consideration the following steps should be taken:

- the person complained about should be provided with a copy of this Policy, contact details of the person responsible for managing the complaint and a summary document setting out:
 - the specific provision(s) of the ***behavioural requirements*** alleged to have been breached; and
 - the circumstances where this breach is alleged to have occurred.

In circumstances where the complainant has not requested their identity be kept confidential, a copy of the complaint may be provided in full.

⁶ Section 262D, *Local Government Act 1999*

- the complainant should be advised of the decision to proceed and the contact details of the person responsible for managing the complaint.

4.5.3. Formal consideration

Where a decision to formally consider the complaint has been made the person responsible for managing the complaint will determine how to proceed:

- The person responsible for managing the complaint may determine that they are the appropriate person to formally consider the complaint; or
- The person responsible for managing the complaint may determine to engage a third party to formally consider the complaint, for example:
 - an investigator who will report to the person responsible for managing the complaint; or
 - an external service provider with skills relevant to the matter who will report to the person responsible for managing the complaint.

If the person responsible for managing the complaint determines a third party should be engaged, they will request the CEO to facilitate engagement of an appropriate service provider. The CEO will not refuse any reasonable request for resources made in accordance with this Policy.

The person responsible for managing the complaint will advise both the complainant and the person complained about that they are able to have a support person accompany them during discussions relating to the complaint.

It is the expectation of Council that both the complainant and the person complained about will cooperate with any such process to consider the complaint and, if requested, participate in meetings in a timely manner.

Failure by the elected member complained about to comply with this requirement may be taken into account when considering the actions to be taken under section 262B(2)(e) of the Local Government Act and may constitute grounds for referral to the Behavioural Standards Panel for misbehaviour.

Further consideration by the person responsible for managing the complaint (or the third party engaged), may (at the discretion of that person) involve:

- explore the complaint with the complainant and the person who is the subject of the complaint
- speaking with other persons who have been nominated by the parties to have observed the behaviour
- speaking directly with witnesses to the conduct complained about
- requesting the provision of information or documents relevant to the investigation, which may include access to audio or video recordings of meetings.

During the formal consideration of a matter appropriate records should be kept by the person responsible for managing the complaint.

4.5.4. Report

The person responsible for managing the complaint (or the third party engaged) should ensure a report is prepared summarising the matter and setting out their findings, conclusions and recommendations. The report should set out:

- Allegations made in the complaint
- Summary of evidence to which the investigation had regard
- Findings
- Conclusions
- Recommendations

A report will generally include a recommended action for the parties to consider and/or participate in such as, but not limited to the imposition of sanctions as per the Local Government Act:

- discussions with parties to the complaint to seek agreement
- formal mediation if not already undertaken
- Conciliation
- Arbitration
- Education and further training

A copy of the draft report should be provided to the parties to the complaint who should be given a reasonable opportunity, but no more than ten business days, to make submissions in relation to the draft report. The person responsible for managing the complaint (or the third party engaged) may provide a longer period of time for lodgement of submissions to the draft report at their discretion. The person responsible for managing the complaint (or the third party engaged) should have regard to any submissions made in preparing a final report.

Outcome – No breach found

Where the finding is that no breach of the **behavioural requirements** has occurred a final report should be prepared by the person responsible for managing the complaint (or third party engaged) and provided to the complainant and the person complained about.

The complaint will remain confidential in accordance with the requirements of this Policy, except at the request of the person complained about. If such a request is made, a copy of the final report will be tabled⁷ at the next practicable Council meeting. If no such request is received, no further action will be taken.

⁷ Note that the complainants identity may need to be redacted.

Outcome – agreed actions (breach found)

Where the finding is that a breach of the **behavioural requirements** has occurred and the complainant and the person complained about⁸ agree to a path for resolution, that agreement will be documented including matters such as:

- actions to be undertaken
- responsibility for completing actions
- timeframes for completion of actions
- what will occur if there is a repeat of the behaviours complained about
- monitoring arrangements for completion of actions
- what will occur if the actions aren't completed
- confirmation that the matter is considered resolved

The agreement reached will be made in writing, including a commitment by parties to the complaint to abide by the agreement (which may be by electronic means). A copy of the agreement will be retained by each party and a copy held in Council records.

The complaint will remain confidential in accordance with the requirements of this Policy except at the request of the person complained about. If such a request is made, a copy of the final report will be tabled⁹ at the next practicable Council meeting.. The matter must be reported in the Council's Annual Report which must contain the information required by the regulations.¹⁰

Outcome – no agreed action (breach found)

Where the finding is that a breach of the **behavioural requirements** has occurred and the parties to the complaint have failed to reach agreement as to the resolution of the matter a final report should be presented to Council for determination. The person responsible for managing the complaint should request the CEO to include the final report in the Council Agenda as soon as practicable.

4.5.5. Actions of Council

Where the parties are not able to agree on an approach to resolve the matter, the matter will be provided to Council for determine the actions to be taken which may include:

- taking no further action
- passing a censure motion in respect of the member;
- requiring the member to issue a public apology (in a manner determined by the Council)
- requiring the member to undertake a specified course of training or instruction;

⁸ Where the conduct complained about is not raised by the person directly affected by the conduct it will usually be appropriate to discuss the proposed resolution with that person prior to finalising agreement. This is intended to apply in a circumstance where the 'victim' is not the complainant to provide them a reasonable opportunity to have input into the resolution.

⁹ Note that the complainants identity may need to be redacted.

¹⁰ Schedule 4(1)(d), *Local Government Act 1999*

- removal or suspension from one or more offices held in the member’s capacity as a member of the Council or by virtue of being a member of the Council – but not the office of Member of the Council;

If Council determines to take action, a report on the matter must be considered at a meeting open to the public¹¹.

Where Council determines to take no further action, the complainant will be advised of this along with reasons, which may include:

- the ground that, having regard to all the circumstances of the case, it is unnecessary or unjustifiable for the council to deal with or continue to deal with the complaint;
- the ground that the subject matter of the complaint has been or is already being investigated, whether by the council or another person or body; or
- the ground that the council has dealt with the complaint adequately.

In making a determination under section 262C(1) Council should be reasonably prescriptive about the manner and time periods in which the action must be completed. Section 262E defines a failure to comply with a requirement of the council under 262C(1) as ‘misbehaviour’ which may result in a referral to the Behavioural Standards Panel.

The matter must be reported in the Council’s Annual Report which must contain the information required by the regulations.¹²

4.6. Behavioural Standards Panel

The Behavioural Standards Panel is an independent statutory authority consisting of three members and has powers to impose sanctions on council members who breach the **behavioural requirements**.

In accordance with section 262Q of the *Local Government Act 1999* a complaint alleging misbehaviour, repeated misbehaviour or serious misbehaviour may be made to the Panel by certain persons as set out below. The Panel’s jurisdiction arises in the circumstances set out below:

Legislative definition	Plain language explanation
<p>misbehaviour means—</p> <ol style="list-style-type: none"> a failure by a member of a council to comply with a requirement of the council under section 262C(1); or a failure by a member of a council to comply with a provision of, or a requirement under, the council's behavioural management policy; or a failure by a member of a council to 	<p>Misbehaviour means:</p> <ol style="list-style-type: none"> a council member fails to take the action required by council; or a council member fails to comply with this policy; or

¹¹ Section 262C(2), *Local Government Act 1999*

¹² Schedule 4(1)(d), *Local Government Act 1999*

comply with an agreement reached following mediation, conciliation, arbitration or other dispute or conflict resolution conducted in relation to a complaint under Division 1;	(c) a council member fails to comply with an agreement reached pursuant to this policy
repeated misbehaviour means a second or subsequent failure by a member of a council to comply with Chapter 5 Part 4 Division 2;	A second or subsequent breach of the behavioural requirements
serious misbehaviour means a failure by a member of a council to comply with section 75G.	A breach of health and safety duties (including sexual harassment) as set out in section 75G of the <i>Local Government Act 1999</i>

A complaint alleging misbehaviour, repeated misbehaviour or serious misbehaviour by a member of council may be referred to the Panel by¹³:

- A resolution of the council;
- the Mayor; or
- at least 3 members of the council
- Responsible person under 75G – direction not to attend meeting.

Behavioural Standards Panel Contact Officer

Council must appoint a person as the contact officer for matters referred to the Behavioural Standards Panel. The contact officer is responsible for the provision of information to and receipt of notice from the Behavioural Standards Panel.

5. Responsibilities

The Mayor, Deputy Mayor (if appointed) or other council member appointed by the council as the person responsible for managing complaints is responsible under this Policy to:

- Perform the tasks bestowed upon the person responsible for dealing with a complaint pursuant to this Policy
- In consultation with the CEO, facilitate access to resources to support impacted parties and resolve the concerns raised in a timely manner prior to the matter becoming serious, or escalating to a formal complaint.
- In consultation with the CEO, engage external resources to assist with investigation and resolution of matters.

The CEO (or delegate) is responsible under this Policy to:

¹³ Section 262Q, *Local Government Act 1999*

- manage the administrative receipt, acknowledgement, record keeping and allocation of a complaint lodged in accordance with this Policy
- facilitate access to external resources to support the resolution of complaints lodged in accordance with this Policy.

The Behavioural Standards Panel Contact Officer (appointed by the council) is responsible under this Policy to:

- comply with any lawful request of the Panel for information related to a matter under consideration.
- Receive and respond to notices relating to matters under consideration by the Panel.

Where the Behavioural Standards Panel Contact Officer is not the CEO, the Contact Officer should keep the CEO informed of the status of matters under consideration by the Panel.

6. Related Legislation

Independent Commission Against Corruption Act 2012

Local Government Act 1999

Ombudsman Act 1972

Public Interest Disclosure Act 2018



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Section 2 – Corporate & Finance
Reports

11.2 AUDIT & RISK COMMITTEE – CONSIDERATION OF THE DRAFT 2023-2024 BUDGET

REPORT AUTHOR: General Manager, Governance & Civic Affairs
GENERAL MANAGER: Chief Executive Officer
CONTACT NUMBER: 8366 4549
FILE REFERENCE: qA115335
ATTACHMENTS: A

PURPOSE OF REPORT

The purpose of this report is to advise the Council of the recommendation from the Council's Audit & Risk Committee regarding the Council's Draft 2023-2024 Budget.

BACKGROUND

At its meeting held on 11 April 2023, the Council considered the Draft 2023-2024 Budget and resolved the following:

1. *That the proposed Operating and Capital Projects as set out in Attachment A be endorsed "in principle".*
2. *That the Council endorses "in principle", the Draft 2023 -2024 Budget set out in the Financial Statements contained in Attachment D, which incorporates the proposed Operating and Capital Projects;*
3. *The Council requests that the following information be provided to the Council at its meeting to be held on 1 May 2023 as part of the Council's consideration of the Draft 2023-2024 Annual Business Plan and Budget:*
 - a. *review of projected income from Statutory Charges, User Charges & Other Income, noting their overall decline and to include any income gains achievable from planned resource increase noting that statutory charges for 2023-2024 will not be known until the State Budget has been handed down;*
4. *The Council requests that a meeting of the Audit & Risk Committee be convened to enable the Committee to provide comment on the Draft 2023-2024 Budget prior to the Council Meeting to be held on 1 May 2023.*

In accordance with the Council's resolution, a meeting of the Council's Audit & Risk Committee was held on Monday, 17 April 2023, to enable the Committee to consider and provide comments to the Council prior to the Council Meeting to be held on 1 May 2023.

RELEVANT POLICIES & STRATEGIC DIRECTIONS

Not Applicable.

FINANCIAL IMPLICATIONS

Not Applicable.

SOCIAL ISSUES/IMPACT

Nil

ENVIRONMENTAL ISSUES

Nil

RESOURCE ISSUES

Nil

RISK MANAGEMENT

Not Applicable.

CONSULTATION

- **Elected Members**
At its meeting held on 11 April 2023, the Council endorsed “in principle” the Draft 2023-2024 Budget.
- **Community**
Not Applicable.
- **Staff**
Chief Executive Officer.
- **Other Agencies**
Not Applicable.

DISCUSSION

The Council's Draft 2023-2024 Budget is based on the continuation of existing services and priorities, as determined by the Council, being appropriately resourced as well as maintaining existing service standards to support the delivery of the Strategic Objectives outlined in *CityPlan 2030: Shaping our Future* and that those services receive appropriate funding.

The Draft Budget comprises the Recurrent Budget, which incorporates the revenue and expenditure which is required to provide the “Business as Usual” services and programs. The second component incorporates the Capital and Operating Project Budget. The Operating Projects Budget encompasses services, programs and activities that are additional to the “Business as Usual” services and are considered discretionary in nature, (ie the Council is under no obligation to provide the services, activities or programs or if required to undertake the activity, for example the Representation Reviews are irregular in nature). Operating Projects generally include one off activities or programs, an expansion of an existing service or program or proposals to introduce a new service or program. Operating Projects are funded from Rate Revenue or a fee for service charge.

The Capital Works Budget encompasses Capital Projects which renew, upgrade or create new infrastructure assets.

Following the Council Meeting held on 11 April 2023, the Draft 2023-2024 Budget was updated to reflect the Council's allocation to the Quadrennial Major Public Artwork of \$75,000 per year, in accordance with the *Public Art Policy* and the estimated additional income associated with the Council's Regulatory Services functions (ie the additional Compliance Officers).

As resolved the Council, the updated Draft 2023-2024 Budget was presented to the Audit & Risk Committee at its meeting held on Monday 17 April 2023.

The Audit & Risk Committee are of the view that the scheduled Capital Projects as set put in the Council's Long Term Financial Plan beyond 2023-2024 is ambitious and expressed concerns regarding the timing of those projects contained in the Long Term Financial Plan on the basis of the Capital Projects to be undertaken during 2023-2024 (ie Payneham Memorial Swimming Centre, Trinity Valley Stormwater Drainage Program, Burchell Reserve and Cruikshank Reserve), and the impact on the Council's capacity to meet its financial obligations.

In short, the Audit & Risk Committee are of the view that the Capital Projects as set out in the Long Term Financial Plan, should be appropriately scheduled/timed to ensure that the Council is in a sound financial position prior to undertaking further Capital Projects beyond the 2023-2024 financial year.

The Audit & Risk Committee also agreed that it was important for the Council to achieve an Operating Surplus and not an Operating Deficit to ensure the Council can meet its financial obligations and deliver on its financial objectives.

Following consideration of the Draft 2023-2024 Budget, the Audit & Risk Committee resolved the following:

That the Audit & Risk Committee recommends to the Council that it considers the following matters when endorsing the Draft 2023-2024 Annual Business Plan & Budget for the purpose of undertaking public consultation:

- *the 2023-2024 Budget should result in a minimum Operating Surplus of \$500,000, taking into consideration that CPI for the March 2023 Quarter, was 6.8%; and*
- *the timing and scheduling of the Capital Projects that are set out in the Long Term Financial Plan beyond the 2023-2024 financial year, as part of the Council's review of the Long Term Financial Plan taking into account the current interest rate environment and the Council's ability to service ongoing debt.*

A copy of the Minutes of the Audit & Risk Committee Meeting held on 17 April 2023, is contained within **Attachment A**.

In terms of considering the impact of achieving a \$500,000 surplus, the Council will consider the Draft 2023-2024 Annual Business Plan and Budget as part of this meeting. More detailed information regarding the 2023-2024 Annual Business Plan and Budget has been provided within the associated report.

However, Elected Members may recall that for the 2023-2024 Financial Year, the Long Term Financial Plan estimates an Operating Surplus of \$1.355 million, based on a Rate Revenue increase of 4.55%.

The Draft 2023-2024 Budget which is based on an increase in the Rate Revenue of 4.55% as set out in the Long-Term Financial Plan, will deliver an Operating Deficit of \$141,624.

To achieve an Operating Surplus of \$1.355 million as set out in the Long Term Financial Plan, a Rate Revenue increase of 8.78% would be required.

To achieve an Operating Surplus of \$500,000, as recommended by the Audit & Risk Committee, a Rate Revenue increase of 7.5% would be required (prior to the inclusion of the Operating results from Regional Subsidiaries).

On the basis of the Audit & Risk Committee's recommendation and the timing associated with the Council's consideration of the Draft 2023-2024 Annual Business Plan & Budget, the Minutes of the Audit & Risk Committee Meeting held on 17 April 2023 are presented to enable the Council to consider and if the Council so determines, adopt the recommendation of the Audit & Risk Committee at this point in the meeting (ie prior to the Council's consideration of the Draft 2023-2024 Annual Business Plan & Budget).

OPTIONS

Essentially the Council has two (2) options in respect to this matter:

- **Option One**

The Council can determine to adopt the recommendation as set out in the Minutes of the Audit & Risk Committee Meeting as a decision of the Council.

The adoption of the recommendation from the Audit & Risk Committee does not "bind" the Council as the Audit & Risk Committee have recommended that the Council "considers" the matters raised by the Audit & Risk Committee.

However, in the event the Council does adopt the recommendation of the Audit & Risk Committee, the Council is essentially agreeing to give consideration to the advice of the Audit & Risk Committee when endorsing the Draft 2023-2024 Annual Business Plan & Budget for the purpose of undertaking public consultation and as part of its review of the Long Term Financial Plan.

- **Option Two**

The Council can determine not to adopt the recommendation as set out in the Minutes of the Audit & Risk Committee Meeting as a decision of the Council.

Whilst the Audit & Risk Committee can provide “advice” and make recommendations to the Council, ultimately the Council is responsible for the Budget and therefore the Council can determine not to adopt the recommendations of the Audit & Risk Committee.

However, this Option is not recommended. The Audit & Risk Committee has been established to provide independent assurance and advice to the Council on accounting, financial management, internal controls, risk management and governance matters, and it would be prudent of the Council to consider the advice as part of its Budget deliberations before making a final decision to adopt the 2023-2024 Annual Business Plan & Budget.

It is therefore recommended that the Council adopt the recommendations as set out in the Minutes of the Audit & Risk Committee Meeting held on 17 April 2023, as contained within Attachment A.

RECOMMENDATION

That the Minutes of the Audit & Risk Committee Meeting held on 17 April 2023, be received and that the resolution set out therein as a recommendation to the Council regarding the Draft 2023-2024 Annual Business Plan & Budget is adopted as a decision of the Council.

Attachments – Item 11.2

Attachment A

Audit & Risk Committee Consideration of the Draft 2023-2024 Budget

City of Norwood Payneham & St Peters
175 The Parade, Norwood SA 5067

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City of
**Norwood
Payneham
& St Peters**

Audit & Risk Committee Minutes

17 April 2023

Our Vision

*A City which values its heritage, cultural diversity,
sense of place and natural environment.*

*A progressive City which is prosperous, sustainable
and socially cohesive, with a strong community spirit.*

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City of
Norwood
Payneham
& St Peters

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VENUE Mayors Parlour, Norwood Town Hall

HOUR 7.00pm

PRESENT

Committee Members Mayor Robert Bria (Presiding Member)
Cr Grant Piggott
Cr Claire Clutterham
Ms Sandra Di Blasio (Independent Member)
Ms Stefanie Eldridge (Independent Member)

Staff Mario Barone (Chief Executive Officer)
Lisa Mara (General Manager, Governance & Civic Affairs)
Sharon Francis (Acting Manager, Finance)
Teri Hopkins (Manager, Governance & Legal)

APOLOGIES Nil

ABSENT Nil

TERMS OF REFERENCE:

The functions of the Audit & Risk Committee include:

- (a) reviewing Annual Financial Statements to ensure that the Statements present fairly the state of affairs of the Council; and
- (b) proposing, and providing information relevant to, a review of the Council's strategic management plans or annual business plan; and
- (c) monitoring the responsiveness of the Council to recommendations for improvement based on previous audits and risk assessments, including those raised by the Council's External Auditor; and
- (d) proposing, and reviewing, the exercise of powers under Section 130A of the Local Government Act 1999; and
- (e) liaising with the Council's External Auditor in accordance with any requirements prescribed by the regulations; and
- (f) reviewing the adequacy of the accounting, internal controls, reporting and other financial management systems and practices of the Council on a regular basis; and
- (g) providing oversight of planning and scoping of the Internal Audit work plan; and
- (h) reviewing and commenting on reports provided by the person primarily responsible for the Internal Audit function at least on a quarterly basis; and
- (i) reviewing and evaluating the effectiveness of policies, systems and procedures established and maintained for the identification, assessment, monitoring, management and review of strategic, financial and operational risks on a regular basis; and
- (j) reviewing any report obtained by the Council pursuant to Section 48(1) of the Local Government Act 1999; and
- (k) performing any other function determined by the Council or prescribed by the regulations.

1. CONFIRMATION OF MINUTES OF THE AUDIT & RISK COMMITTEE MEETING HELD ON 27 MARCH 2023

Ms Sandra Di Blasio moved that the minutes of the Audit & Risk Committee meeting held on 27 March 2023 be taken as read and confirmed. Seconded by Cr Piggott and carried unanimously.

2. PRESIDING MEMBER'S COMMUNICATION

Nil

3. QUESTIONS WITHOUT NOTICE

Nil

4. QUESTIONS WITH NOTICE

Nil

5. WRITTEN NOTICES OF MOTION

Nil

6. STAFF REPORTS

6.1 DRAFT 2023-2024 BUDGET

REPORT AUTHOR: Manager, Finance
GENERAL MANAGER: General Manager, Governance & Civic Affairs
CONTACT NUMBER: 8366 4585
FILE REFERENCE: qA83737
ATTACHMENTS: A - D

PURPOSE OF REPORT

The purpose of the report is to present the Draft 2023-2024 Budget to the Audit & Risk Committee to enable the Committee to provide comment and/or recommendations to the Council, prior to the Council's "in principle" endorsement of the Draft 2023-2024 Annual Business Plan, the Draft 2023-2024 Budget and the Draft Rating Policy for the purpose of undertaking public consultation.

BACKGROUND

Section 123(8) of the *Local Government Act 1999*, requires the Council to adopt an Annual Business Plan and a Budget for the ensuing financial year after 31 May and except in a case involving extraordinary administrative difficulty, before 15 August.

The Draft Budget comprises the Recurrent Budget, which incorporates the revenue and expenditure which is required to provide the "Business as Usual" services. The second component incorporates the Capital and Operating Project Budget. The Operating Projects Budget encompasses services, programs and activities that are outside the "Business as Usual" services and are considered discretionary in nature, (i.e. the Council is under no obligation to provide the services, activities or programs or if required to undertake the activity, for example the Representation Reviews are irregular in nature). Operating Projects generally include one off activities or programs, an expansion of an existing service or program or proposals to introduce a new service or program. Operating Projects are funded from Rate Revenue or a fee for service charge.

The Capital Works Budget encompasses projects which renew, upgrade or create new infrastructure assets. Examples of some projects are the Civil Infrastructure Whole-of-Life Program (renewal), Playground/Reserve Redevelopment (upgrade). Renewal Capital Projects are funded through Rate Revenue, via the depreciation charge, with new or upgrade works funded through borrowings or cash reserves.

At its Special meeting held on 11 April 2023, the Council considered the Draft 2023-2024 Budget and following consideration of the Draft 2023-2024 Budget, the Council resolved the following:

1. *That the proposed Operating and Capital Projects as set out in Attachment A be endorsed "in principle".*
2. *That the Council endorses "in principle", the Draft 2023 -2024 Budget set out in the Financial Statements contained in Attachment D, which incorporates the proposed Operating and Capital Projects;*
3. *The Council requests that the following information be provided to the Council at its meeting to be held on 1 May 2023 as part of the Council's consideration of the Draft 2023-2024 Annual Business Plan and Budget:*
 - a. *review of projected income from Statutory Charges, User Charges & Other Income, noting their overall decline and to include any income gains achievable from planned resource increase noting that statutory charges for 2023-2024 will not be known until the State Budget has been handed down;*
4. *The Council requests that a meeting of the Audit & Risk Committee be convened to enable the Committee to provide comment on the Draft 2023-2024 Budget prior to the Council Meeting to be held on 1 May 2023.*

The Draft 2023-2024 Annual Business Plan, the Draft 2023-2024 Budget and the Draft Rating Policy, is scheduled to be considered at the Council Meeting on 1 May 2023.

The Draft 2023-2024 Annual Business Plan and Budget will be released for public consultation for a period of twenty-one (21) days as required by the *Local Government Act 1999*.

RELEVANT POLICIES & STRATEGIC DIRECTIONS

The Council's long term strategic direction is outlined its Strategic Management Plan in *City Plan 2030: Shaping our Future*. The Draft 2023-2024 Annual Business Plan and supporting Draft 2023-2024 Budget, set out the proposed services and programs and explains how the Council intends to finance its continuing and new activities which are proposed to be undertaken during the year.

The Council's Long Term Financial Plan (LTFP), is a key document in the Council's Planning Framework. It is the primary financial management tool which links the Council's Strategic Plan, *City Plan 2030: Shaping our Future*, Whole-of-Life Assets Management Plans and the Annual Business Plan and Budget.

Financial sustainability underpins the Council's Financial Goals and Outcomes, which are set out in the Long-Term Financial Plan. In general terms, financial sustainability is ensuring that the Council has the financial resources to meet the long-term service and infrastructure needs of the community, without any severe increases in rate revenue or cuts in service provision and standards.

From an operational perspective, financial sustainability is being able to manage the conflict between keeping rate revenues increases to a reasonable level, maintaining existing service standards and financing new services and major capital investments.

The Draft 2023-2024 Budget has been developed on the basis of ensuring that it will assist in delivering on the Council's Long Term Strategic direction and financial objectives set out in the LTFP.

FINANCIAL AND BUDGET IMPLICATIONS

For the 2023-2024 Financial Year, the LTFP estimates an Operating Surplus of \$1.355 million, based on a Rate Revenue increase of 4.55%.

To ensure that the Council can deliver on its financial objectives as set out in the Council's Long Term Financial Plan, the Draft Recurrent Budget has been prepared with reference to the budget parameters which were adopted by the Council at its meeting held on 16 January 2023.

The Draft Budget, as presented in this report, based on the 4.55% Rate Revenue increase as set out in the Long-Term Financial Plan, will deliver an Operating Deficit of \$141,624.

To achieve an Operating Surplus of \$1.355 million as set out in the Long-Term Financial Plan, a Rate Revenue Increase of 8.78% would be required.

At the time of writing this report, the Rate increase for the average residential ratepayer is not available.

EXTERNAL ECONOMIC IMPLICATIONS

The South Australian economy has continued to perform solidly across a number of economic indicators, although the pace of growth appears to be moderating. Following growth of 4.7% in 2020-21, Gross State Product (GSP) remained strong in 2021-2022, growing by 5.1 per cent. State Final Demand (SFD) was also strong, increasing by 5.6% in 2021-2022 following an increase of a 5.3% in 2020-2021. Growth in both GSP and SFD, however, is expected to moderate in 2022-23 and 2023-24 as higher interest rates and inflation flow through to moderate spending and investment decisions.

The outlook for inflation has been revised upwards, reflecting the high rates of inflation being experienced in many (mainly advanced) nations, including Australia. The Adelaide Consumer Price Index (CPI) is now forecast to grow by 7.25% in 2022-2023, reflecting dwelling construction price pressures, the recent strong fuel price growth and the high prices for fruit and vegetables due to recent flooding events.

The Adelaide CPI is forecast to moderate to 4 per cent growth in 2023-2024 partly due to the effectiveness of monetary tightening in dampening demand, and to fall back within the RBA's target range from 2024-2025.

SOCIAL ISSUES

No Applicable.

CULTURAL ISSUES

Not Applicable.

ENVIRONMENTAL ISSUES

Not Applicable.

RESOURCE ISSUES

Not Applicable.

RISK MANAGEMENT

The Draft 2023-2024 Budget will be impacted upon by the decisions made by the Federal Government and State Government in their respective budgets. At the time of writing this report, no information regarding these budgets is available.

As a result, the Draft 2023-2024 Budget presented in this report, has been developed on the following assumptions:

- that the Financial Assistance Grants, comprising of the General Assistance Grant and the Road Funding Grant, will be provided based on the current funding arrangements of four (4) quarterly instalments. The value of these payments has not been indexed;
- State Government Charges, which are set by Legislation, are yet to be indexed;
- no further increase in the Solid Waste Levy beyond the current fee of \$146 per tonnes; and
- no new fees and charges will be introduced.

Any adjustments to the Draft Budget arising from the State Budget will be incorporated into the Council Budget when this information becomes available.

Notwithstanding this, the preparation of the Draft 2023-2024 Annual Business Plan and Budget has been prepared to ensure the Council meets its legislative responsibility in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*.

CONSULTATION

- **Elected Members**
Elected Members have been apprised of the Draft 2023-2024 Recurrent Budget, Capital Works Program and Operating Projects at an Information Briefing held on 14 March 2023 and considered the Draft 2023-2024 Budget at the Special Council Meeting held on 11 April 2023.
- **Audit Committee**
The Audit Committee considered a report on the 2023-2024 Annual Business Plan and Budget Objectives and Parameters at its Meeting held on 27 March 2023. (This report was also considered by the Council at its meeting held on 16 January 2023).
- **Community**
Citizens will be provided the opportunity have input into the Draft 2023-2024 Budget through public consultation on the Draft Annual Business Plan, which is scheduled to be undertaken from 5 May 2023 through to 29 May 2023.

- **Staff**

The preparation of the Draft 2023-2024 Budget has been completed with the involvement of the Chief Executive Officer, General Managers and staff responsible for management of the Budget.

- **Other Agencies**

Not Applicable.

DISCUSSION

The Draft 2023-2024 Budget is based on the continuation of existing services and priorities, as determined by the Council, being appropriately resourced and that the Council can maintain the service standards for its existing services to support the delivery of the Strategic Objectives outlined in *CityPlan 2030: Shaping our Future* and that those services receive appropriate funding.

The key objective therefore is to develop a Budget that not only contributes to the Council's broader strategic objectives of achieving *Community Well-being*, but also ensures that the Council is managing its financial resources in a sustainable, prudent and equitable manner and to ensure that future financial impacts can either be avoided or managed in a measured way, so that the funding requirements are balanced with ensuring that the community does not face unreasonable increases in their annual rates contribution.

Budget Parameters/Assumptions

In developing the Draft 2023-2024 Budget, the following principles and assumptions have been applied:

- the Recurrent Budget be prepared based on the provision of existing services, programs and activities;
- the cost escalation for Material, Contracts and Other Expenses has been set at a maximum of 8.0%;
- Wages and Salaries increases are based on the Council's Enterprise Agreements;

Budget Overview

Table 1 below sets out the Draft Budget, based on the LTFP recommended Rate Revenue increase of 4.55% which will deliver an Operating Deficit of \$141,624.

The Recurrent Budget and programs, which incorporates the revenues and expenditure required to provide the "Business as Usual" services, provides a surplus of \$1.548 million, which will be used to fund the delivery of the proposed Operating Projects, which are set out **Attachment A**, and additional interest costs to cover the additional finance costs associated with borrowings required to fund the delivery of the proposed Capital Works Program, which is contained in **Attachment A**.

The total Operating Expenditure is \$51.13 million, with \$38.2 million (75%) being more readily influenced by the decisions made as part of the budget process. The remaining \$12.9 million (25%) of expenditure relates to Ownership Costs, which are a result of past investment decisions in respect to the upgrading of existing assets or building new assets. While the ownership expenditure associated with the Council's past Capital Works program cannot be influenced or changed in the current year, the annual increase in future ownership costs is influenced by the decisions made in respect to the amount of expenditure incurred in 2023-2024 on the investment in the renewed, new and upgraded assets. As such decisions regarding the current year projects need to be made in the context of the future impact on operating expenditures and Rate increases.

It should be noted that while the cost to finalise or undertake the 2022-2023 Operating Projects to be carried forward into the 2023-2024 Draft Budget are included to determine the Draft 2023-2024 Operating Surplus, the funding to undertake these projects will be sourced from cash reserves.

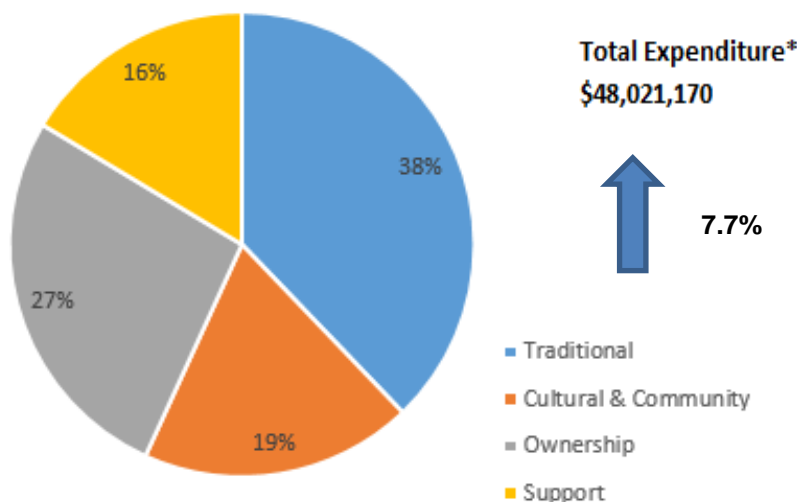
In addition, the draft budgets from Regional Subsidiaries have not at this stage been incorporated into the Draft Operating result. The Council is required to report the Council's share of the Regional Subsidiaries operating results and while this will have an impact on the Council's reported Operating Result, this is a non-cash transaction that does not have an impact on the Council's cash position.

TABLE 1: 2023-2024 PROPOSED STATEMENT OF COMPREHENSIVE INCOME

	Recurrent Budget 2023-2024	Carry Forwards 2023-2024	Operating Projects 2023-2024	Capital Projects 2023-2024	Proposed 2023-2024
	\$	\$	\$	\$	\$
INCOME					
Rates	41,792,412	-	-	-	41,792,412
Statutory charges	2,100,000	-	-	-	2,100,000
User charges	3,836,788	-	-	-	3,836,788
Grants, subsidies and contributions	2,612,226	-	42,446	-	2,654,672
Investment income	120,000	-	-	-	120,000
Other income	491,110	-	-	-	491,110
Net loss joint ventures & associates	-	-	-	-	-
Total Income	50,952,536	0	42,446	0	50,994,982
EXPENSES					
Employee costs	17,418,099	-	370,682	-	17,788,781
Materials, contracts & other expenses	19,359,823	-	1,070,500	-	20,430,323
Finance costs	165,000	-	-	290,901	455,901
Depreciation & amortisation	12,461,601	-	-	-	12,461,601
Net loss Joint Ventures & Associates	-	-	-	-	-
Total Expenses	49,404,523	0	1,441,182	290,901	51,136,606
OPERATING SURPLUS / (DEFICIT)	1,548,013	0	-1,398,736	-290,901	-141,624
Net gain (loss) on disposal or revaluation of assets	-	-	-	25,000	25,000
Amounts specifically for new or upgraded assets	-	-	-	10,147,474	10,147,474
NET SURPLUS (DEFICIT)	1,548,013	0	-1,398,736	9,881,573	10,030,850

As set out in Figure 1 below, services, programs and activities delivered through the Recurrent Budget (excludes operating projects), can be classified into *Traditional Services*, which are the provision of a range of services, programs and infrastructure to meet the needs and expectations of the community. A number of these services are the responsibility of the Council by virtue of the requirements of the *Local Government Act 1999* and other relevant legislation. Other services, which are classified into *Cultural and Community*, are provided by the Council in response to the community's expectations and/or needs. Together, these services represent 57% (\$27.3 million) of the draft Recurrent Budget. These services, programs and activities are supported by the Council's *Governance and Administration* structure. These support services represent 16% (\$7.9m) of the draft Recurrent Budget.

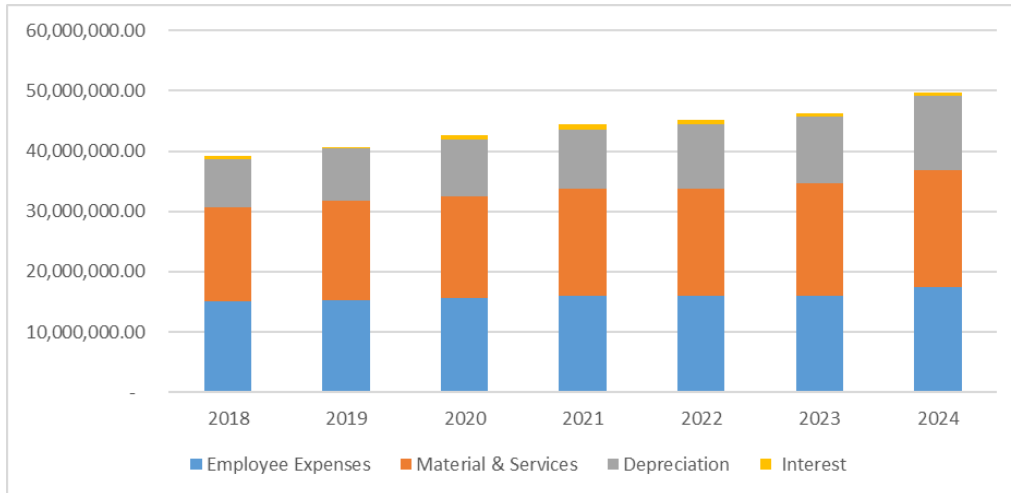
The final component of the Recurrent Budget is Ownership Costs (\$12.9m). As previously mentioned, these costs are being now incurred as a result of past investment decisions in long term assets and as such, the Council has little control over the value of these costs for the current year. These future costs can however, be influenced by the decisions that are made regarding the level of capital investment in new and upgraded assets when considering the 2023-2024 Projects Budget.

FIGURE 1: COMPONENTS OF THE DRAFT 2023-2024 RECURRENT BUDGET

The services, programs and activities which make up each element of draft Recurrent Budget is contained in Table 2 below and **Attachment B**.

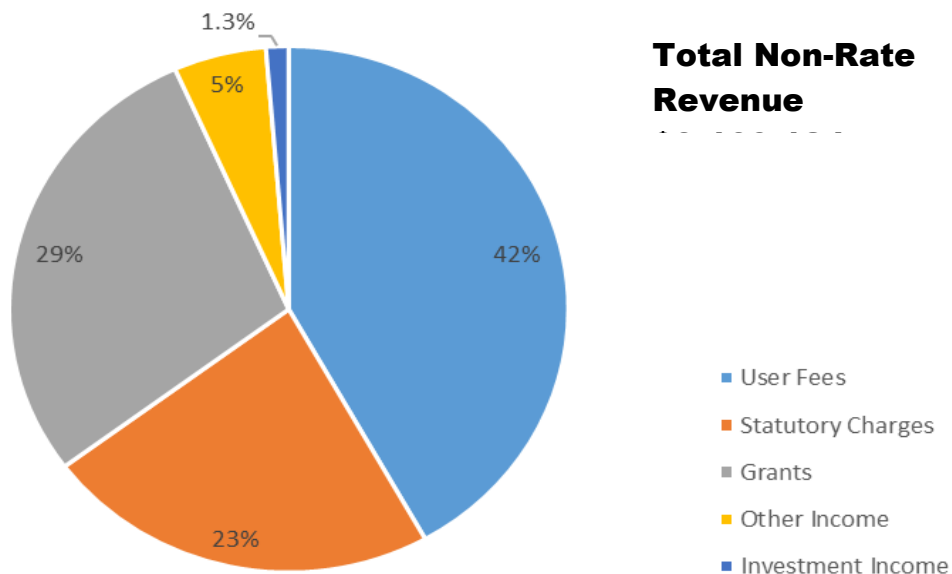
The cost elements of the Recurrent Budget as set out in Figure 2 below, are Employee Expenses, which represent 35%, Material, Contracts & Other Expenses, which represent 39%, Depreciation which represents 25% and Finance Costs (excluding any new borrowings) which represent 1% of the total draft Recurrent Budget. Over the past five (5) years, Material, Contracts & Other Expenses and Finance costs, as a percentage of the total recurrent budget have been consistent, where as Employee Expenses have been decreasing from 37% of the total budget to 35%. The overall Recurrent Budget increase for 2023-2024 is 4.87%, with the increase being driven predominately by depreciation expense.

FIGURE 2 : COST ELEMENTS



Rate revenue is the Council’s major source of income and funds in the order of **82%** of the Council’s Operating expenditure. The balance is funded from non-rate revenue which is predominately made up of User Charges (43%) which incorporate Child Care Centre fees, Swimming Centre charges, Hire and Lease fees associated with Council facilities, HACC Services; Grant Income (29%) and Statutory Charges (21%) which incorporates Dog Registration fees, Parking Infringements, Residential Parking permits, Planning & Development fees, Hoarding Licences, Outdoor Dining permits. Non-rate revenue represents 18% of the Council’s total revenue, with \$9,160 million being factored into the draft Recurrent Budget.

FIGURE 3: BREAKDOWN OF NON-RATE REVENUE



Revenue derived from the Council's main sources of non-rate revenue (statutory and user charges) has remained stable over the last five (5) years. It must be noted that the static and/or diminishing nature of other revenue sources means that the Council is increasingly dependent on Rate revenue to fund the provision of services and programs.

User Charges includes fees that are payable for the use of the Council's discretionary services and facilities, with 87% of the Council's User Charges income being generated from the St Peters Child Care Centre & Pre-school, the Swimming Centres and the Norwood Concert Hall.

Statutory Charges includes fees and charges that are set by State Government legislation. In some circumstances, such as Parking Infringements, the fees charged are set at a fixed rate as set out in the legislation, whereas other legislation allows the Council to charge a fee with the value of the fee determined by the Council, up to a maximum limit as set out in the legislation (i.e. Dog Registration Fees). Income that is earned from Parking Expiration Notices is the main source (45%) of Statutory Charges Income.

Table 2 below sets out additional information on the Recurrent Operating Budget by functional area.

TABLE 2: DRAFT 2023-2024 RECURRENT BUDGET BY FUNCTION

Function	Expenditure	Income	Net Operating Surplus / (Deficit)
Rates	1,657,033	41,677,412	40,020,379
Traditional	18,248,445	3,176,588	-15,071,857
Infrastructure Management	5,155,105	545,000	-4,610,105
Waste & Recycling Services	4,853,253	25,000	-4,828,253
Trees, Parks, Sports & Recreation	4,314,623	345,088	-3,969,535
Economic Development, Regulatory Services, Environment &	3,925,464	2,261,500	-1,663,964
Cultural & Community	9,149,654	4,846,036	-4,303,618
Community Services Health Aged & Youth Services	5,091,072	3,951,626	-1,139,446
Libraries & Community Facilities	3,191,621	868,010	-2,323,611
Community Events, Arts & Heritage	866,961	26,400	-840,561
Governance, Communications & Administration	7,722,790	1,132,500	-6,590,290
Governance	2,631,303	342,500	-2,288,803
Administration	4,558,449	790,000	-3,768,449
Communications	533,038	0	-533,038
Ownership	12,626,601	120,000	-12,506,601
Total	49,404,523	50,952,536	1,548,013

2023-2024 Proposed Operating Projects

The Draft Budget as set out in Table 1, incorporates funding allocation for new Operating Projects to the value of \$1.4 million. Operating Project expenditure is offset by income of \$42,466, which is the final payment of the Roads-to-Recovery Funding for the 5-year cycle. As Elected Members are aware, Roads-to-Recovery Grant Funding is utilised to deliver the Civil Infrastructure Renewal Program.

The proposed Operating Projects for 2023-2024 have been broken down into a number of categories as detailed in Table 3 below.

TABLE 3: OPERATING PROJECT CATEGORIES

Operating Project Category	2023-2024 Proposed Operating Projects \$	2022-2023 Carry Forward Operating Projects
Proposed New Projects arising from		
• Events & Awards	173,000	-
• Traffic Management Initiatives	140,000	-
• Environmental Initiatives	14,500	75,000
• Council Operational Plans <ul style="list-style-type: none"> ○ <i>Community Survey, CityPlan 2030, Dog & Cat Management Plan etc.</i> 	125,000	90,000
• Corporate & Governance	200,000	10,000
• Other	543,682	70,000
Total Operating Projects Expenditure	1,196,182	245,000

In addition to the new Operating Projects, there are a number of Operating Projects that were adopted as part of the 2022-2023 Budget, that are not anticipated to be completed by 30 June 2023. A review of the current year's Operating Projects has been undertaken and based on a review of year-to-date expenditure, the Draft Budget, as detailed above, includes funding allocation for 2022-2023 Operating Projects to be carried forward of \$245,000. Operating Projects carried forward will be funded by cash reserves.

A copy of the Funding Submissions for Capital and Operating Projects are contained in **Attachment C**.

Budgeted Capital Projects

The Draft 2023-2024 Budget, as presented, incorporates Capital Projects to the value of \$ 53.7 million inclusive of 2022-2023 Carry Forwards and staff costs of \$1.279 million which are capitalised (i.e. staff involved in the delivery of the projects involving physical assets) and included in the final asset cost.

The proposed Capital Expenditure is offset by Capital funding which incorporates grants and other revenues to the value of \$10.1 million, which results in a net cost to the Council of \$43.6 million. The proposed Capital Projects for 2023-2024, have been broken down into a number of categories as set out Table 4 below.

TABLE 4: CAPITAL PROJECT CATEGORIES

Capital Project category	2023-2024 Proposed Capital Projects \$
Whole-of-Life Capital Works Program	
* Road Resealing	4,964,143
* Footpath Reconstruction	1,181,033
* Kerb Reconstruction	1,551,917
* Stormwater Drainage Program (inc. carry forward budgets) *	14,130,044
Other Infrastructure Asset Renewal	1,972,313
Major Projects (inc. carry forward budgets)	27,800,000
Quadrennial Art Project (inc. carry forward budgets)	75,000
Non-Infrastructure Renewal	525,700
Minor projects	257,500
Capitalisation of Salaries (existing staff)	1,279,257
Total Capital Projects Expenditure	53,736,907
Capital Funding	10,147,474
Net Cost	43,589,433

A review of the Capital Projects for the current year (2022-2023) has been undertaken and based on a review of year to date spend and project timelines, the Draft Budget, as detailed above, includes a funding allocation for 2022-2023 Capital projects to be carried forward of \$21.6 million. This comprises of the Trinity Valley Stormwater Drainage Project, the Payneham Memorial Swimming Centre Project, Cruickshank Reserve Upgrade Project, implementation of The Parade Masterplan Project, River Torrens Linear Park Path Upgrade Project and Burchell Reserve Upgrade.

Borrowings

Capital Expenditure of \$53.8 million, as set out in **Attachment A**, is proposed to be funded as follows:

Use of depreciation recovered through rate revenue	\$ 12,461,601
Roads-to-Recovery Grant Funding	\$42,446
Grant Funding and other capital funding	\$10,147,474
Borrowings and cash reserves	\$31,085,386

In determining the timing and the level of borrowings that are required to fund the capital program, consideration has been given to the cash flow requirements and to intergenerational equity between current and future users (that is, an asset is funded from loan borrowings which is paid off over the life of the asset rather than raising rate revenue from current rate payers to pay for the asset). Whilst these considerations have formed part of the budget model, they will be reviewed and reconsidered before the decision to commit to any borrowings.

Given the nature of the major projects which are proposed to be undertaken, to minimise the interest costs and debt servicing needs, it is recommended that the Council utilise the Discounted Cash Advance Facilities to fund the cashflow that is required during the construction phases as opposed to the utilisation of the standard fixed period debenture loans.

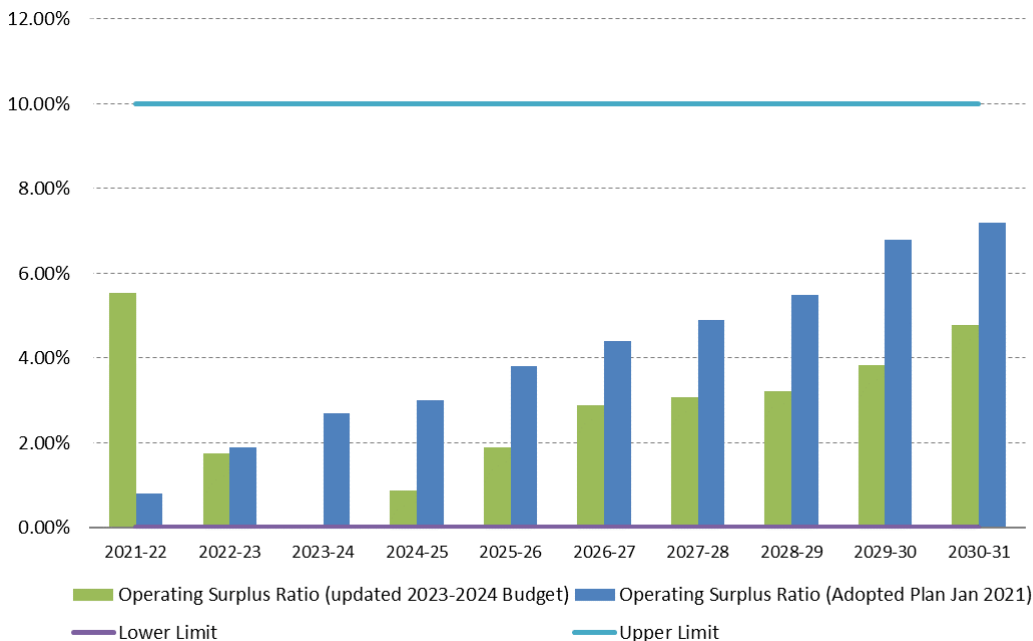
Long Term Financial Plan

Pursuant to Section 122 4a (1) of the *Local Government Act 1999*, the Council must undertake a review of its Long-Term Financial Plan (LTFP) on an annual basis. To meet this legislative requirement, a review of the LTFP financial targets, which takes into account of the Draft 2023-2024 Budget, as presented in this report and its impact on the financial projections set out in the Long-Term Financial Plan, has been undertaken.

Outcome 1: A Balanced Budget

Council's services and programs, including depreciation of infrastructure and assets, is fully funded and the costs are shared equitably between current and future ratepayers.

The Council's long-term sustainability is dependent upon ensuring that on average overtime, the operating expenses are less than the associated revenues. The Council's performance is measured by the Operating Ratio which measures the Council's Operating result, whether that be a surplus or deficit as a percentage of operating revenues. Ideally, at a minimum, the Operating surplus should be equal to the annual principal loan repayments.

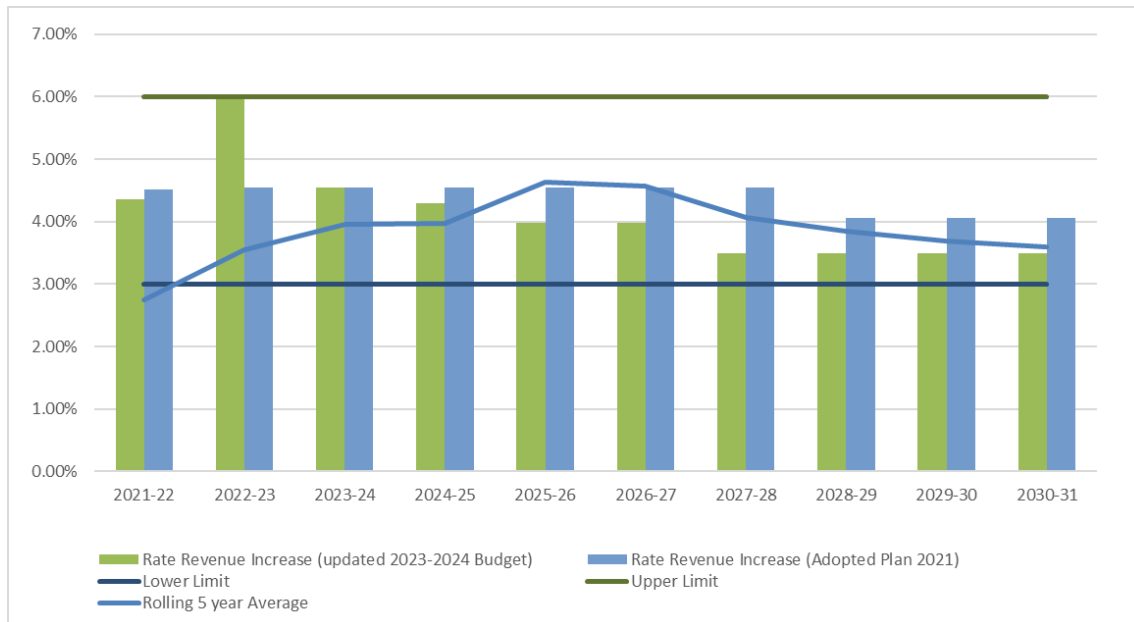


For 2023-2024, the Draft Budget has been prepared on the basis of a rate revenue increase of 4.55%, which is in line with the LTFP increase of 4.55% and will result in an Operating Deficit. The 2023-2024 Operating Deficit is \$141,624 compared to the LTFP surplus target of \$1.355 million.

Outcome 2: Rate Stability

Annual rate collections are fair and equitable for our residents and ratepayers with the aim to keep rate revenue increases stable over the medium term

Rate revenue is a major component of Council’s revenue base. The Council’s objective is to have a Long Term Financial Plan based on consistent rate revenue increases which meet the increased cost of the base level services and programs but also reflect new assessment growth and increased service levels. The benchmark target is between 3% and 6%.

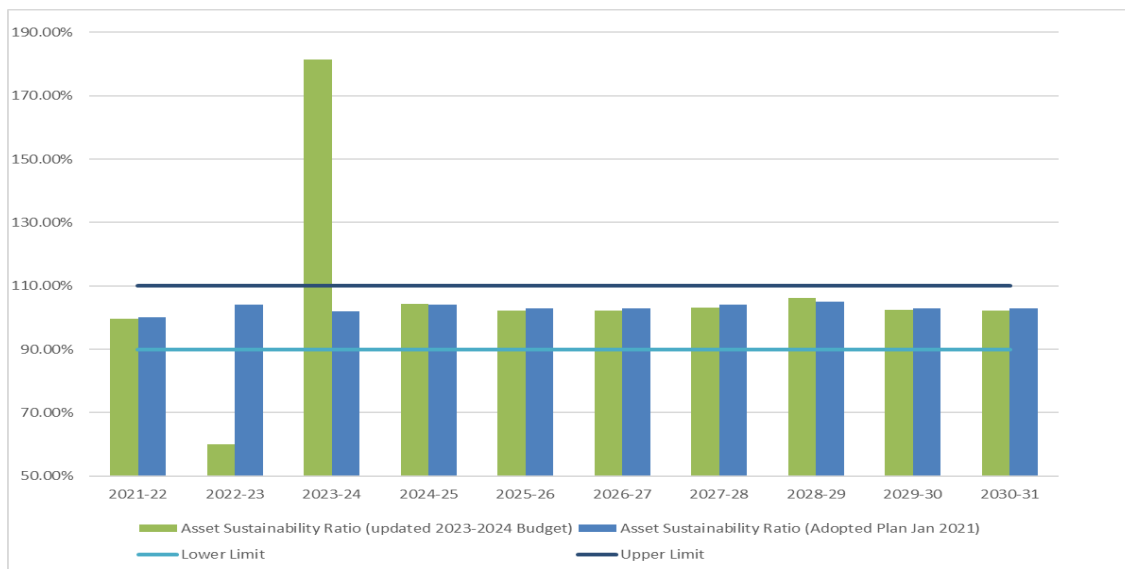


The Draft Budget is based on a Rate Revenue increase of 4.55%, which is an increase in Rate revenue of \$1,871,430 compared to the increased contained in the LTFP \$1,803,000. At the time of writing this report, the initial rate modelling of the impact of the rate revenue on the rate increase for the average residential ratepayer was not available.

Outcome 3: Infrastructure and Asset Management

Maintain Infrastructure and Assets in line with the Council's Whole of Life Infrastructure framework to achieve the outcomes and objectives, as set out in City Plan 2030

The Council will measure its performance in achieving this outcome through the Asset Sustainability Ratio. The Asset Sustainability Ratio measures how well the Council is performing with respect to the renewal or replacement of existing physical assets, such as roads, footpaths, kerbing, buildings, council plant etc. The ratio is calculated by measuring capital expenditure on renewal or replacement of assets, relative to the planned spend outlined in the Council's Asset Management Plans. Ideally, physical assets should be renewed or replaced at the same rate the stock of assets is wearing out, however it is recognised that there may be some instances that require the Council to either accelerate decelerate the renewal or replacement of its existing asset base.



The asset sustainability ratio for 2023-2024 is reflective of the carry forward renewal spend associated with the major projects to be completed during 2022-2023 financial year and the increase in the proposed Drainage Program.

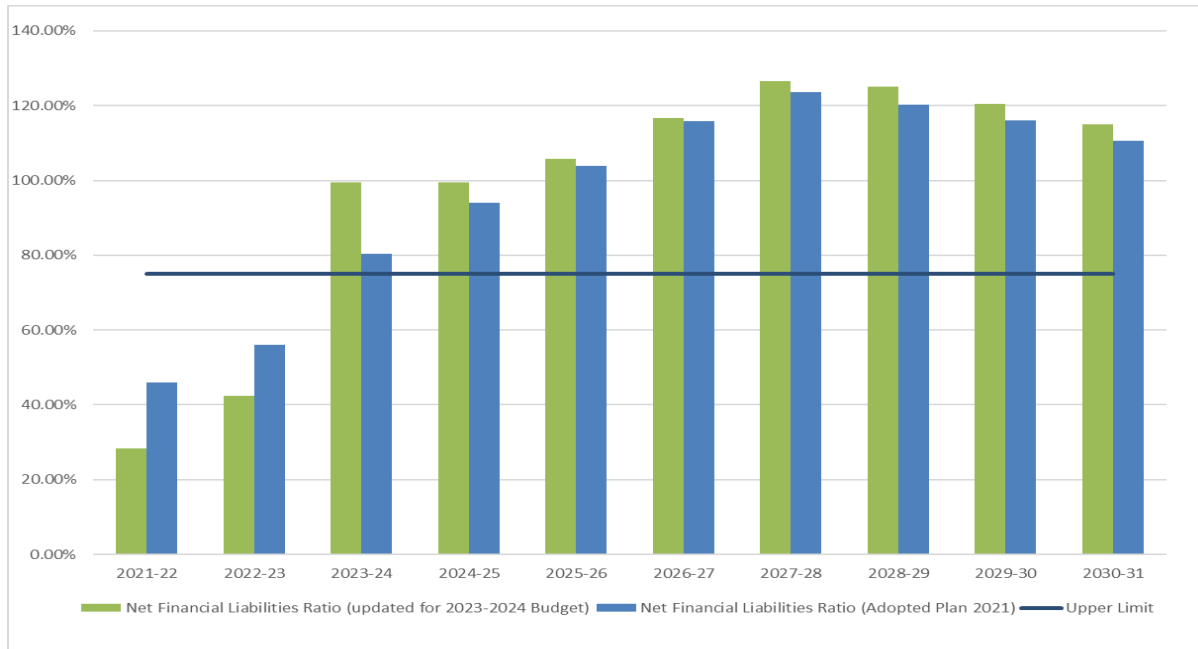
Outcome 4: Debt Management

Prudent use of debt to invest in new long-term assets to ensure intergenerational equity between current and future users

Prudent debt management is the process of establishing and executing a strategy for managing a Council debt in order to raise the required amount of funding to achieve its capital investment objectives. It is important that the use of debt is balanced with other funding sources, such as grants and cash reserves, to ensure that the members of the community that receive the benefits from the investment, share the cost. In addition, the Council must ensure that it has the capacity to service its debt.

Net Financial Liabilities

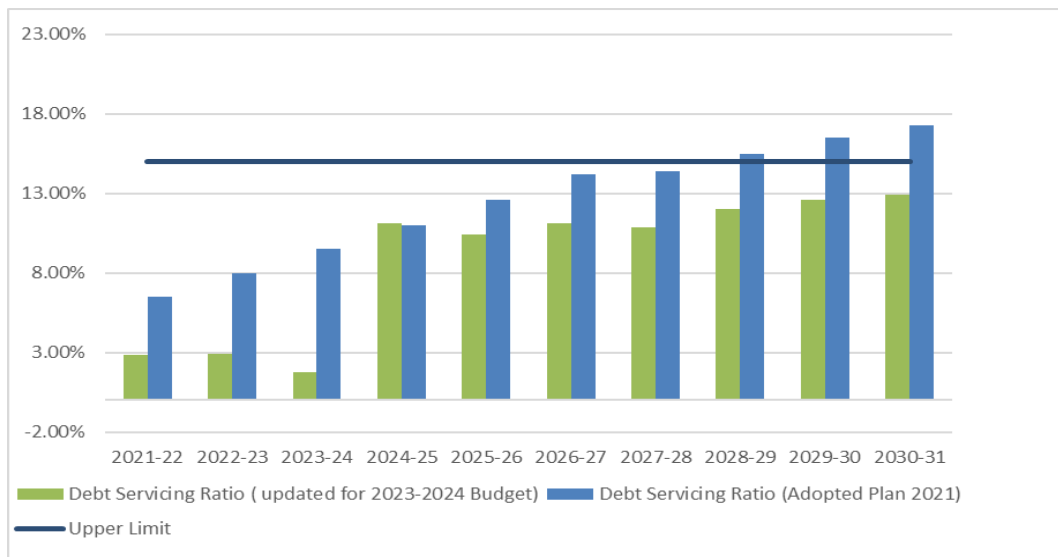
The Net Financial Liabilities measures the extent of indebtedness of the Council as a percentage of operating revenue. If the ratio falls over time this indicates that the Council's capacity to meet its financial obligations from operating income is strengthening.



As a result of an increase in the cash balance, resulting from the additional Rate Revenue increase and the slight reduction in the Operating Project Spent, the Net Financial Liabilities has fallen below 100% in years 2021-2025. As there is no proposed reduction in the Capital Works Program, there is no movement in the forecast level in Long-term Borrowings. The improvement in the Net Financial Liabilities is driven entirely from increased cash balances.

Debt Servicing Ratio

The Debt Servicing Ratio measures the extent of rate revenue that is used to meet interest and principal loan repayments.



OPTIONS

The purpose of this report is to provide the opportunity for the Committee to provide any comment on the Draft 2023-2024 Budget, prior to the Council endorsing the Draft 2023-2024 Annual Business Plan, the Draft 2023-2024 Budget and the Draft Rating Policy and prior to releasing the documents for public consultation.

In this regard, the Committee has the following options in respect to the consideration of this matter:

- advise the Council that it endorses 'in principle' the Draft 2023-2024 Budget, as set out in the Financial Statements contained in **Attachment D**, which incorporates the proposed Operating and Capital Projects contained in **Attachment A**; or
- recommend any amendments to the Draft 2023-2024 Budget, as set out in the Financial Statements contained in **Attachment D**, which incorporates the proposed Operating and Capital Projects contained in **Attachment A**.

CONCLUSION

The Draft 2023-2024 Budget as presented in this report is based on the Council continuing to deliver its existing services, programs and activities.

To ensure that a responsible budget is set, the Council has adopted a series of Budget Parameters, to guide Council Staff in preparing their respective budget estimates. As detailed in this report, the Draft 2023-2024 Recurrent Budget has been delivered with reference to these guidelines and where the parameters have not been achieved, the reasons have been provided.

Financial sustainability underpins the Council's Financial Goals and Outcomes, which are set out in the Long-Term Financial Plan. In general terms, financial sustainability is ensuring that the Council has the financial resources to meet the long-term service and infrastructure needs of the community, without any sharp increases in rate revenue or cuts in service provision and standards.

From an operational perspective, financial sustainability is being able to manage the conflict between keeping rate revenues increases to a reasonable level, maintaining existing service standards and spending on new services and major capital investments.

Decisions regarding the Draft 2023-2024, need to take into account the impact on the Council's ability to continue to meet its operational and financial outcomes in the future.

With reference to the financial targets set out in the Long-Term Financial Plan, Table 5 sets out the performance of the Draft 2023-2024 Budget, as set out in this report, against the LTFP Financial Outcomes.

TABLE 5: LONG TERM FINANCIAL PLAN TARGETS

Outcome	Measure	Target	Draft Budget	
A Balanced budget	Operating Ratio <i>Measures the Councils Operating result, whether that be a surplus or deficit as a percentage of operating revenues</i>	Between 0% and 10%	-0.28%	✘
Rate Stability	Rate Revenue Increase <i>The annual increase in revenue generated from general rates</i>	Between 3% and 6%	4.55%	✓
Infrastructure and Asset Management	Asset Sustainability Ratio <i>Measures the rate at which the Councils assets are being renewed or replaced against the Infrastructure & Asset Management Plan</i>	Between 90% and 110% <i>on a rolling three (3) year average</i>	157%	✘
Debt Management	Net Financial Liabilities Ratio <i>Measures the percentage operating revenues that would be required to settle the net amount owed by the Council.</i> Debt Servicing Ratio <i>Measures the Council's commitment to interest costs and debt repayments are met by general rate revenue</i>	Less than 75%	103.3%	✘
		less than 15%	3.6%	✓

COMMENTS

If Elected Members have any questions in relation to specific budget items or proposed allocations, please contact the Manager, Finance on 8366 4548, prior to the meeting as these discussions may assist in resolving any enquiry.

RECOMMENDATION

That the report be received and noted.

Short Term Suspension of Proceedings

At 7.10pm, with approval of two-thirds of the Committee Members present, the Presiding Member suspended the meeting proceedings pursuant to Regulation 20(1) of the *Local Government (Procedures at Meetings) Regulation 2013*, for 30 minutes to enable informal discussion regarding the Draft 2023-2024 Budget.

Resumption of Proceedings

The meeting resumed at 7.42pm.

Cr Clutterham moved:

That the Audit & Risk Committee recommends to the Council that it considers the following matters when endorsing the Draft 2023-2024 Annual Business Plan & Budget for the purpose of undertaking public consultation:

- *the 2023-2024 Budget should result in a minimum Operating Surplus of \$500,000, taking into consideration that CPI for the March 2023 Quarter, was 6.8%; and*
- *the timing and scheduling of the Capital Projects that are set out in the Long Term Financial Plan beyond the 2023-2024 financial year, as part of the Council's review of the Long Term Financial Plan taking into account the current interest rate environment and the Council's ability to service ongoing debt.*

Seconded by Ms Stephanie Eldridge and carried.

7. CONFIDENTIAL REPORTS
Nil

8. OTHER BUSINESS
Nil

9. NEXT MEETING
Monday 15 May 2023

10. CLOSURE

There being no further business the Presiding Member declared the meeting closed at 8.15pm.

Mayor Robert Bria
PRESIDING MEMBER

Minutes Confirmed on _____
(date)

11.3 MONTHLY FINANCIAL REPORT – MARCH 2023

REPORT AUTHOR: Manager, Finance
GENERAL MANAGER: General Manager, Governance & Civic Affairs
CONTACT NUMBER: 8366 4585
FILE REFERENCE: qA101554
ATTACHMENTS: A

PURPOSE OF REPORT

The purpose of this report is to provide the Council with information regarding its financial performance for the year ended March 2023.

BACKGROUND

Section 59 of the *Local Government Act 1999* (the Act), requires the Council to keep its resource allocation, expenditure and activities and the efficiency and effectiveness of its service delivery, under review. To assist the Council in complying with these legislative requirements and the principles of good corporate financial governance, the Council is provided with monthly financial reports detailing its financial performance compared to its Budget.

RELEVANT STRATEGIC DIRECTIONS AND POLICIES

Not Applicable.

FINANCIAL AND BUDGET IMPLICATIONS

Financial sustainability is as an ongoing high priority for the Council. The current Council adopted Budget forecasts an Operating Surplus of \$867,032 for the 2022-2023 Financial Year.

For the period ended March 2023, the Council's Operating Surplus is \$602,000 against a budgeted Operating Deficit for the period ending March 2023 of \$412,000, resulting in a favourable variance of \$1,015,000.

EXTERNAL ECONOMIC IMPLICATIONS

Not Applicable.

SOCIAL ISSUES

Not Applicable.

CULTURAL ISSUES

Not Applicable.

ENVIRONMENTAL ISSUES

Not Applicable.

RESOURCE ISSUES

Not Applicable.

RISK MANAGEMENT

Not Applicable.

CONSULTATION

- **Elected Members**
Not Applicable.
- **Community**
Not Applicable.
- **Staff**
Responsible Officers and General Managers.
- **Other Agencies**
Not Applicable.

DISCUSSION

For the period ended March 2023, the Council's Operating Surplus is \$602,000 against a budgeted Operating Deficit of \$412,000, resulting in a favourable variance of \$1,015,000.

Investment income continues to be favourable against budget due to current interest rates which are being received from the Local Government Finance Authority for "cash at bank" as this is higher than budgeted when the 2022-2023 Budget was adopted in 2022. In addition, the quantum of funds being held are higher than expected due to the timing of expenditure on projects.

User Charges are \$152,000 unfavourable to the Adopted Budget. This is largely due to the St Peters Childcare Centre & Preschool showing a \$142,289 deficit in revenue compared to the 2022-2023 Adopted Budget. The reduction in income (i.e., fees) is however, offset by a reduction in staff costs and other costs of \$46,134.

Reimbursements are \$196,000 favourable to the Adopted Budget due to Federal funding being received by the Council for Boost Apprenticeship Commencement Wage Subsidies Program (\$120,105). In addition, the Council has received reimbursement of 2021-2022 insurance payments for Income Protection and Workcover schemes totalling \$81,682.

Employee expenses are \$541,000 (4%) favourable to the Revised Budget. The driving factors of this variance are a result of budgeted staff positions that were vacant at the commencement of the financial year. Some of these positions are now filled and others are currently undergoing recruitment. Where required, activities and functions have been back filled by utilisation of temporary staff, consultants or contractors.

The Monthly Financial report is contained in **Attachment A**.

OPTIONS

Not Applicable.

CONCLUSION

Not Applicable.

COMMENTS

Not Applicable.

RECOMMENDATION

That the March 2023 Monthly Financial Report be received and noted.

Attachments – Item 11.3

Attachment A

Monthly Financial Report March 2023

City of Norwood Payneham & St Peters
175 The Parade, Norwood SA 5067

Telephone 8366 4555
Facsimile 8332 6338
Email townhall@npsp.sa.gov.au
Website www.npsp.sa.gov.au

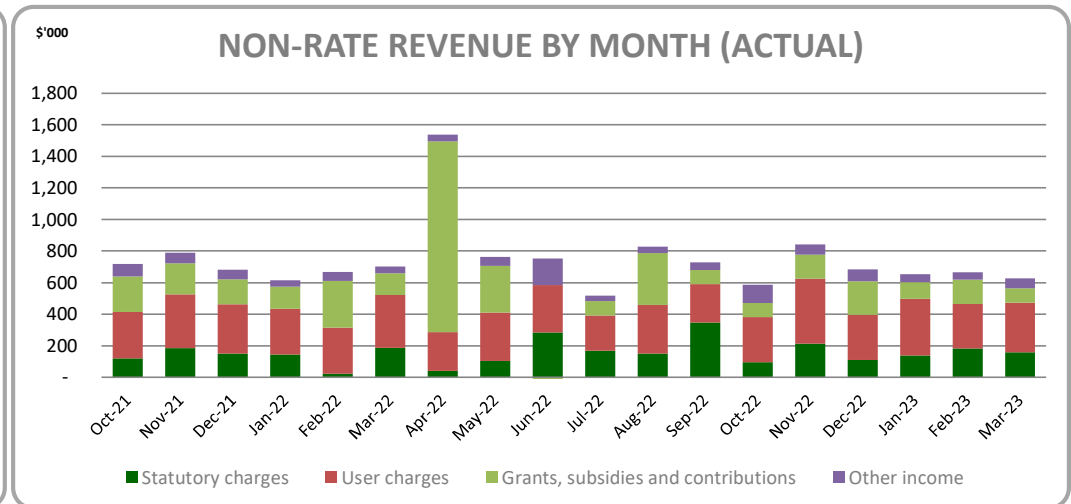
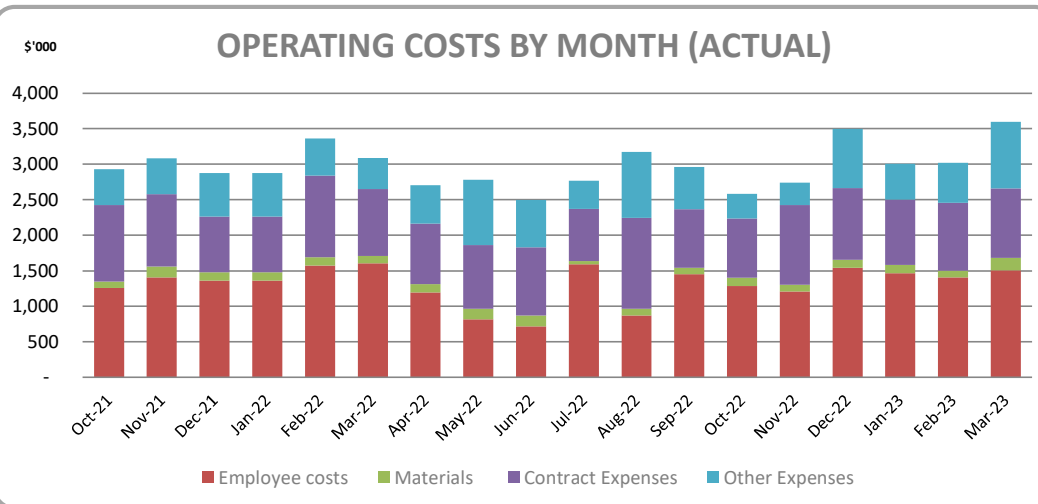


City of
**Norwood
Payneham
& St Peters**

CITY OF NORWOOD PAYNEHAM & ST PETERS

Financial Performance for the period ended 31 March 2023					
LYTD Actual		YTD Actual	YTD Revised Budget	Var	Var %
\$'000		\$'000	\$'000	\$'000	
	Revenue				
28,423	Rates Revenue	29,981	29,941	40	0%
1,518	Statutory Charges	1,557	1,567	(9)	(1%)
2,712	User Charges	2,717	2,874	(157)	(5%)
2,127	Grants, Subsidies and Contributions	1,315	1,277	38	3%
13	Investment Income	136	34	102	298%
474	Other	402	359	43	12%
62	Reimbursements	209	12	196	1,588%
35,328	Total Revenue	36,318	36,064	254	1%
	Expenses				
11,961	Employee Expenses	12,324	12,865	541	4%
7,644	Contracted Services	8,367	8,509	142	2%
371	Energy	448	402	(46)	(11%)
598	Insurance	669	618	(51)	(8%)
621	Legal expense	289	178	(110)	(62%)
329	Materials	377	428	50	12%
578	Parts, Accessories and Consumables	573	658	84	13%
335	Water	470	502	32	6%
3,230	Sundry	3,480	3,561	82	2%
7,894	Depreciation, Amortisation and Impairment	8,369	8,369	-	-
405	Finance Costs	349	386	37	10%
105	Net Loss - Joint Ventures & Associates	-	-	-	-
34,070	Total Expenses	35,716	36,477	761	2%
1,258	Operating Surplus/(Deficit)	602	(412)	1,015	(246%)

Summary of Net Cost of Divisions for the period				
Division	YTD Actual	YTD Revised Budget	Var	Var %
	\$'000	\$'000	\$'000	
Chief Executive Office	(2,993)	(3,131)	138	4%
Corporate Services	(12,254)	(12,388)	134	1%
Governance and Community Affairs	(1,562)	(1,725)	163	9%
Urban Planning and Environment	(1,675)	(2,269)	594	26%
Urban Services	(10,894)	(10,840)	(54)	0%
Operating Surplus/(Deficit) (before Rate Revenue)	(29,378)	(30,353)	976	3%
Rate Revenue	29,981	29,941	40	0%
Operating Surplus/(Deficit)	602	(412)	1,015	(246%)

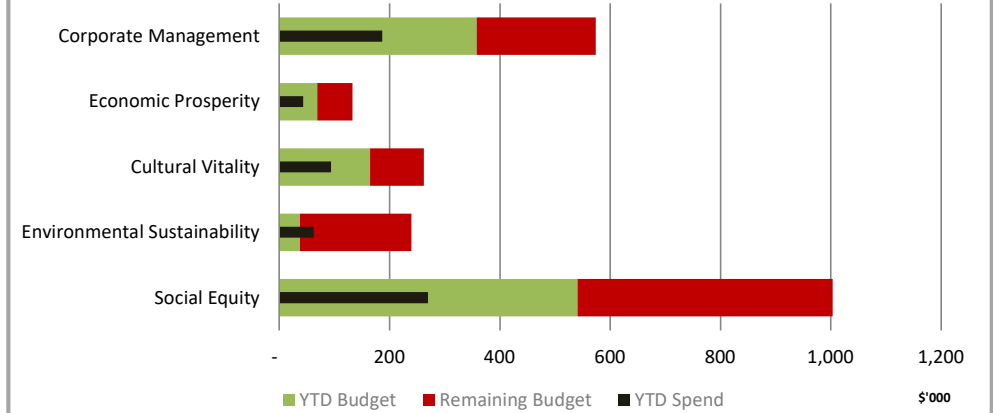


CITY OF NORWOOD PAYNEHAM & ST PETERS

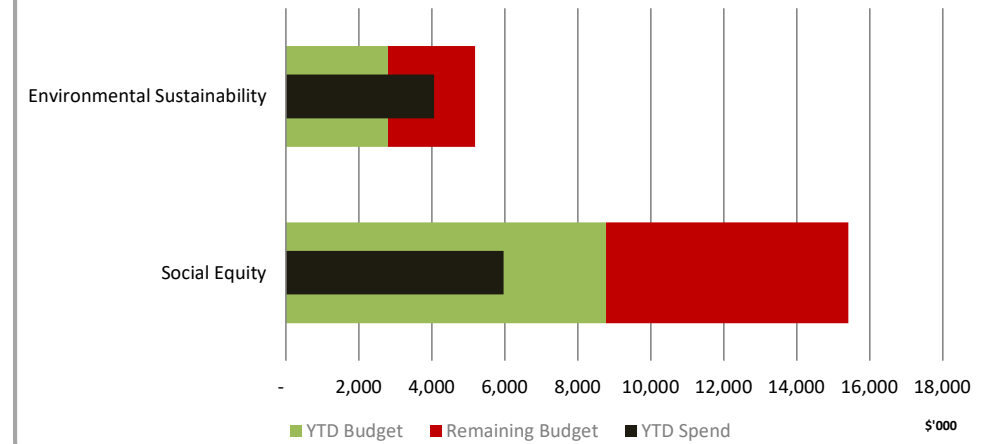
Project Summary for period ended 31 March 2023

	YTD Actual \$'000	YTD Revised Budget \$'000	Remaining Budget \$'000
Operating Projects			
Income			
Corporate Management	-	15	15
Economic Prosperity	-	-	-
Cultural Vitality	-	-	-
Environmental Sustainability	-	60	60
Social Equity	-	115	477
Total Income	-	190	552
Expenses			
Corporate Management	186	402	216
Economic Prosperity	43	107	64
Cultural Vitality	93	191	98
Environmental Sustainability	62	264	202
Social Equity	270	733	463
Total Expenses	655	1,697	1,042
Net Cost of Operating Projects	(655)	(1,507)	(489)
Capital Projects			
Income			
Corporate Management	-	-	-
Economic Prosperity	-	-	-
Cultural Vitality	-	-	-
Environmental Sustainability	80	200	5,106
Social Equity	13	88	2,051
Total Income	93	288	7,157
Expenses			
Corporate Management	53	160	186
Economic Prosperity	981	1,606	1,159
Cultural Vitality	137	-	78
Environmental Sustainability	4,058	2,800	2,383
Social Equity	5,966	8,775	6,637
Total Expenses	11,195	13,341	10,443
Net Cost of Capital Projects	(11,103)	(13,052)	(3,285)

SERVICE INITIATIVES (inc. Carry Forwards)



NEW ASSETS & RENEWALS (inc. Carry Forwards)

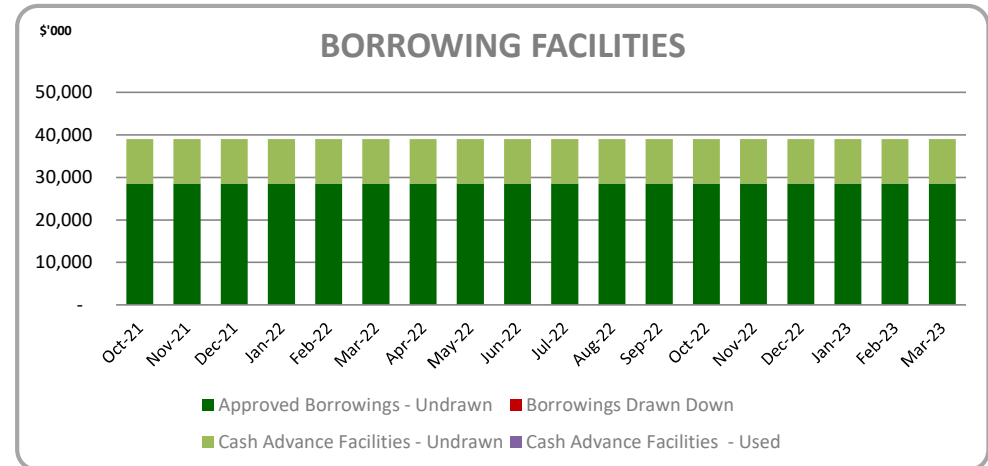
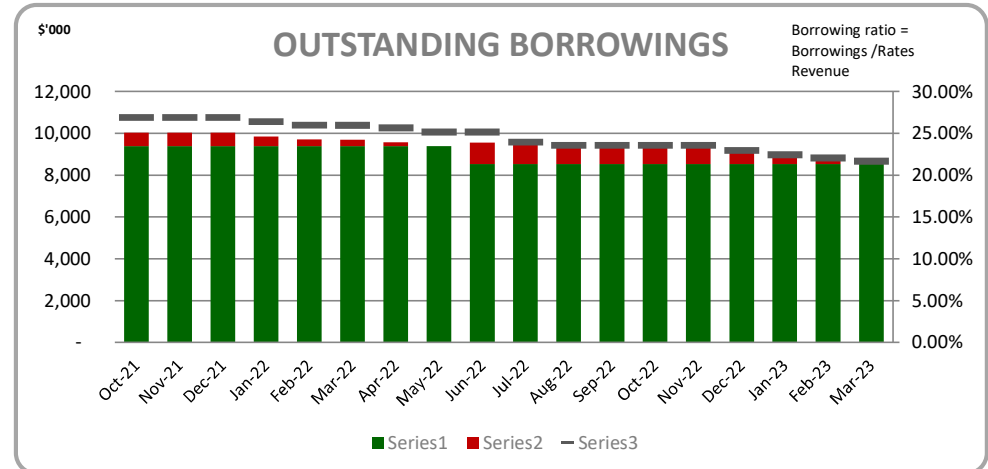
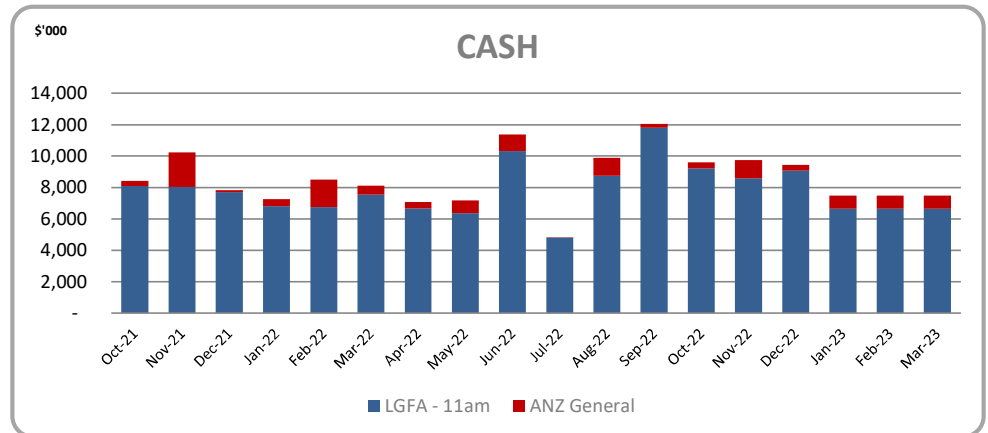


CITY OF NORWOOD PAYNEHAM & ST PETERS

Statement of Financial position as at 31 March 2023

	Mar-23	Feb-23	Movement	June 2022
	Actual	Actual		
	\$'000	\$'000	\$'000	\$'000
ASSETS				
Current Assets				
Bank and Cash	6,795	7,342	(547)	11,393
Accounts receivables	11,352	16,670	(5,318)	3,255
Less : Provision for Bad Debts	(580)	(580)	-	(580)
Total Current Assets	17,567	23,432	(5,865)	14,068
Non-current Assets				
Financial Assets	113	113	-	113
Investments in Joint Ventures	2,009	2,009	-	1,931
Infrastructure, Property, Plant and Equipment	550,475	550,685	(210)	548,034
Total Non-current Assets	552,597	552,807	(210)	550,078
Total Assets	570,164	576,239	(6,075)	564,146
LIABILITIES				
Current Liabilities				
Trade and Other Payables	19,719	23,412	(3,693)	13,031
Borrowings	229	241	(12)	1,021
Provisions	2,686	2,722	(36)	3,004
Total Current Liabilities	22,634	26,375	(3,742)	17,055
Non-current Liabilities				
Borrowings	8,527	8,527	-	8,527
Provisions	1,280	1,280	-	1,280
Investments in Joint Ventures	742	742	-	904
Total Non-current Liabilities	10,549	10,549	-	10,712
Total Liabilities	33,183	36,925	(3,741)	27,767
NET ASSETS	536,981	539,314	(2,334)	536,379
EQUITY				
Accumulated Surplus	63,311	65,644	(2,333)	62,709
Asset Revaluation Reserves	473,670	473,670	-	473,670
TOTAL EQUITY	536,981	539,314	(2,333)	536,379

Key areas to highlight YTD :



11.4 EASTERN HEALTH AUTHORITY DRAFT 2023-2024 ANNUAL BUSINESS PLAN AND BUDGET

REPORT AUTHOR: General Manager, Corporate Services
GENERAL MANAGER: Chief Executive Officer
CONTACT NUMBER: 8366 4585
FILE REFERENCE: qA11472
ATTACHMENTS: A

PURPOSE OF REPORT

The purpose of this report is to present to the Council, the Eastern Health Authority (EHA) Draft 2023-2024 Annual Business Plan and Budget for endorsement.

BACKGROUND

The Eastern Health Authority (EHA) is a Regional Subsidiary established pursuant to Section 43 of the *Local Government Act 1999*, for the purpose of providing environmental health services to the Constituent Councils. The other Constituent Councils are the Cities of Burnside, Campbelltown and Prospect and the Town of Walkerville.

Pursuant to Clause 8 of the Eastern Health Authority Charter (the Charter), EHA must prepare an Annual Business Plan which informs and supports the Authority's Annual Budget.

Upon completion of the draft Annual Business Plan and Budget, pursuant to Clause 8.1 (c) of the Charter, EHA must provide the draft Annual Plan to Constituent Councils for the purposes of obtaining consent from the Constituent Councils.

The Annual Business Plan and Budget can only be adopted by the EHA Board, with absolute majority approval of the Constituent Councils.

RELEVANT STRATEGIC DIRECTIONS & POLICIES

Not Applicable.

FINANCIAL AND BUDGET IMPLICATIONS

As a Constituent Council, there are financial implications for the Council's Budget, emanating from the EHA Draft 2023-2024 Annual Business Plan and Budget.

As a receiver of services from EHA, the Council's Budget includes an annual fee of \$623,601 for the provision of the environmental health services which are provided by EHA. In addition, the Council must also account for its share of EHA's operating result.

The financial implications are discussed in detail in the Discussion section of this report.

EXTERNAL ECONOMIC IMPLICATIONS

Nil

SOCIAL ISSUES

Nil

CULTURAL ISSUES

Nil

ENVIRONMENTAL ISSUES

Nil

RESOURCE ISSUES

Nil

RISK MANAGEMENT

Nil

CONSULTATION

- **Elected Members**
Councillors Whittington and Moorhouse are the Council appointed Members to the Eastern Health Authority Board.
- **Community**
Not Applicable.
- **Staff**
General Manager, Urban Planning & Environment
- **Other Agencies**
Not Applicable.

DISCUSSION

EHA's draft 2023-2024 Annual Business Plan is based on the four (4) focus issues set out in the Regional Public Health and Wellbeing Plan, '*Better Living, Better Health*', which encompass:

- Public and environmental health services.
- Immunisation.
- Food safety.
- Governance and organisational development.

The key priorities outlined in the Annual Business Plan for each focus area include:

Public and Environmental Health Services

- Actively collaborate and participate in the newly formed State Interagency Hoarding and Squalor group.
- Develop educational material to be communicated to swimming pool operators.
- Continue to provide feedback to SA Health on the review of Public Health Regulations review as required.
- Investigate the potential to educate the risks associated with high-risk Personal Care and Body Art activities within local schools.

Immunisation

- Promotion of EHA's public immunisation clinic program through channels identified in the EHA Marketing Plan.
- Continue to ensure the effective governance and delivery of EHA's public clinic immunisation program in accordance with the National Immunisation Program (NIP) Schedule.
- Deliver School Immunisation Program (SIP) in accordance with the SA Health Service Agreement contract.
- Develop a business case for the provision of immunisation services on behalf of non-Constituent Councils (dependent on available opportunities)

Food Safety

- Communicate and assist food businesses where required in understanding and preparing for the new legislative food management tools Standard 3.2.2a: that will come into effect within 12 months: food safety supervisor, food handler training and records or evidence.
- Develop new food safety educational videos to be made available on EHA's website.
- Continue to collate a biennial food safety newsletter training be distributed to EHA's food businesses.
- Investigate the potential to promote food safety within local schools.

Governance and Organisational Development

- In consultation with Constituent Councils, review and revise the EHA business planning and reporting framework.
- Work with the Audit Committee and the Board to review and revise the financial indicators in the Long-Term Financial Plan.
- Create a Chief Executive group with Constituent Council CEOs to channel information and bilateral communication.
- Development of targeted quarterly performance report for Constituent Councils.
- Develop a presentation highlighting strengths and benefits of centralised service delivery model for Constituent Council Elected Members.

EHA's main source of income to fund its operations is from contributions from its Constituent Councils. To deliver the 2023-2024 Annual Business Plan, EHA requires contributions of \$1,970,200 (which is a 7.7% increase on 2022-2023) to fund its proposed operational expenditure.

Elected Members may recall that following the 2021 EHA Service Review, it was recommended that the administration fee of 12.5% be divided into fixed and variable components. The fixed portion of the administration fee of 5%, is now shared equally (1% per Constituent Council), while the variable component is calculated on a proportional basis, dependent on activity use. The impact of the change in methodology is that the larger Constituent Councils now pay a slightly higher proportion of the administrative fee and smaller Councils pay less. As such, this Council's contribution has increased from 31.3% to 31.96%.

The Council's Draft 2023-2024 Budget includes a funding allocation for the provision of environmental health services of \$623,601, a 6.74% or \$39,391 increase on 2022-2023.

EHA are forecasting a "break even" Operating Result for 2023-2024.

A copy of the Eastern Health Authority's draft Annual Business Plan and Budget is contained in **Attachment A**.

OPTIONS

The Council can choose not to endorse the Draft 2023-2024 Annual Business Plan and Budget, however, there are no specific issues or activities which present a financial or risk management issue for this Council to take this course of action.

CONCLUSION

EHA's Annual Business Plan is consistent with its previous Annual Business Plans and is in-line with the objectives which are set out in its Charter. Whilst the Authority's Charter does not require the Constituent Councils to endorse the Draft Budget, by virtue of the endorsement of the Annual Business Plan, the Council is also ostensibly endorsing the EHA Draft Budget. The Annual Business Plan, as contained in **Attachment A** does not present any specific issues or activities which would create a financial or risk management issue for this Council,

COMMENTS

Nil

RECOMMENDATION

That the Eastern Health Authority be advised that pursuant to Clause 8 of the Charter, the Council has considered and hereby approves the Eastern Health Authority Draft 2023-2024 Annual Business Plan.

Attachments – Item 11.4

Attachment A

Eastern Health Authority Draft 2023-2024
Annual Business Plan and Budget



City of
Norwood
Payneham
& St Peters

EASTERN HEALTH AUTHORITY ANNUAL BUSINESS PLAN AND BUDGET 2023/2024



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Introduction

Keeping the community healthy – About EHA

Eastern Health Authority (EHA) has a proud history of promoting and enforcing public health standards in Adelaide’s eastern and inner northern suburbs.

We are a regional subsidiary established under the *Local Government Act 1999* and work across our Constituent Councils to protect the health and wellbeing of around 165,000 residents.

EHA is guided by the collective vision and commitment to public health and safety of our five Constituent Councils:

- City of Burnside
- Campbelltown City Council
- City of Norwood Payneham and St Peters
- City of Prospect
- Town of Walkerville

These councils have come together to prepare a shared Regional Public Health and Wellbeing Plan 2020-2025. EHA’s role is covered in the Plan’s strategic directions for Protecting Health and includes vital public and environment health services such as immunisation, hygiene and sanitation control, licensing and monitoring of Supported Residential Facilities (SRFs), and inspection and regulation of food premises.

EHA effectively manages the risk profile for public and environmental health and food safety across the region, having centralised services provided through a regional subsidiary model which is well recognised and valued by stakeholders.

With a single focus, and highly specialised and experienced staff, EHA is well-equipped to deal with the increasing diversity and complexity of public and environmental health on behalf of its Constituent Councils.

Key Statistics

Population Served	163,600
Staffing	28 Staff (19 FTE)
Number of Inspections Undertaken	1,271
Number of Immunisations Administered	21,088
Total Budget	\$2,848K
Grant Funding Received	\$230K
User Income Generated	\$442K
Constituent Council Contributions	\$1,970K

Developing our 2023-24 Annual Business Plan

EHA is governed by a Board of Management comprised of two members elected by each of our Constituent Councils. Our Charter is the formal agreement between the Councils about how EHA will operate and meet our obligations under the *Local Government Act 1999*.

The EHA Board is required to adopt an Annual Business Plan and Budget each year to outline our objectives and activities for the financial year, our financial requirements and how we will measure our performance.

We have developed a series of strategic objectives, drawn from EHA's commitment to good governance under our Charter and our responsibilities under the *Regional Public Health and Wellbeing Plan 2020-2025*, which is prepared for and adopted by our Constituent Councils. EHA is responsible for the 'Protection for Health' priorities in the Regional Public Health Plan, and this is reflected in our four key focus areas:

1. Public and environmental health services
2. Immunisation
3. Food safety
4. Governance and organisational development

In consultation with our Constituent Councils, we have prepared an Annual Business Plan for the next 12 months that aligns to our strategic objectives within each focus area and guides the efficient and effective delivery of our day-to-day operations.

As we are committed to continuous improvement, EHA plans to undertake further consultation with Constituent Councils throughout the year to review and refine our strategic objectives and adopt an improved business planning and reporting framework.

A summary of our 2023-24 budget and how we are performing against our Long-Term Financial Plan is also included within this Annual Business Plan.

Our performance against this Annual Business Plan will be reported in our Annual Report, which will be provided to Constituent Councils by 30 September 2024.

Key influences in 2023-24

The environment in which EHA and our Constituent Councils operate in is always changing. In preparing our 2023-24 Annual Business Plan, EHA has considered the key influences that we need to be aware of and respond to throughout the next 12 months. The major external factors that we have taken into consideration in the preparation of our Plan are summarised below.

<p>P POLITICAL</p>	<ul style="list-style-type: none"> • <i>New Board of Management</i> • <i>Changes in government / council policies</i> • <i>Revised Charter</i>
<p>E ECONOMIC</p>	<ul style="list-style-type: none"> • <i>Use of revised funding formula</i> • <i>Enterprise Agreement Labour Cost Increase</i> • <i>CPI 8.6% for 12 months to December 2022</i> • <i>Continuation of Immunisation Service Provision Contracts</i> • <i>Changes to School Immunisation Program in 2023 and 2024</i>
<p>S SOCIAL</p>	<ul style="list-style-type: none"> • <i>Potential for Covid Vaccines to be delivered by local government</i> • <i>Community attitudes to vaccines</i> • <i>Community expectations of environmental health</i> • <i>Community attitude towards compliance</i> • <i>Changing customer / community expectations</i> • <i>Heightened media interest in public health and safety issues</i>
<p>T TECHNOLOGICAL</p>	<ul style="list-style-type: none"> • <i>Data collection and analysis</i> • <i>Smart technology</i> • <i>Online services / immunisation bookings / information provision</i> • <i>New ways of communicating</i> • <i>Increased functionality from enhanced Immunisation Database</i>
<p>E ENVIRONMENTAL</p>	<ul style="list-style-type: none"> • <i>Increased risk of emergency events</i> • <i>Impacts of climate change</i> • <i>Disease from pests</i>
<p>L LEGAL</p>	<ul style="list-style-type: none"> • <i>Revised public health regulations</i> • <i>Training and evidence requirements for Food Businesses</i> • <i>Lack of appropriate registration and licensing systems for food safety and public health matters</i> • <i>Review of Supported Residential Facility legislation.</i>

2023-2024 Annual Business Plan Overview

Our 2023-24 Priorities

Focus Area	2023-24 Priorities
1. Public and Environmental Health Services	<ol style="list-style-type: none"> 1. Actively collaborate and participate in the newly formed State Interagency Hoarding and Squalor group. 2. Develop educational material to be communicated to swimming pool operators. 3. Continue to provide feedback to SA Health on the review of Public Health Regulations review as required. 4. Investigate the potential to educate the risks associated with high risk Personal Care and Body Art high activities within local schools.
2. Immunisation	<ol style="list-style-type: none"> 1. Promotion of EHA's public immunisation clinic program through channels identified in the EHA Marketing Plan. 2. Continue to ensure the effective governance and delivery of EHA's public clinic immunisation program in accordance with the National Immunisation Program (NIP) Schedule. 3. Deliver School Immunisation Program (SIP) in accordance with the SA Health Service Agreement contract. 4. Develop a business case for the provision of immunisation services on behalf of non-Constituent Councils (dependent on available opportunities)
3. Food Safety	<ol style="list-style-type: none"> 1. Communicate and assist food businesses where required in understanding and preparing for the new legislative food management tools Standard 3.2.2a that will come into effect within 12 months: food safety supervisor; food handler training and records or evidence. 2. Develop new food safety educational videos to be made available on EHA's website. 3. Continue to collate a biennial food safety newsletter to be distributed to EHA's food businesses. 4. Investigate the potential to promote food safety within local schools.
4. Governance and Organisational Development	<ol style="list-style-type: none"> 1. In consultation with Constituent Councils, review and revise the EHA business planning and reporting framework. 2. Work with the Audit Committee and the Board to review and revise the financial indicators in the Long-Term Financial Plan. 3. Create a Chief Executive group with Constituent Council CEOs to channel information and bilateral communication. 4. Development of targeted quarterly performance report for Constituent Councils. 5. Develop a presentation highlighting strengths and benefits of centralised service delivery model for Constituent Council Elected Members.

Focus Area 1 - Public and Environmental Health Services

Strategic Objectives

- 1.1 Provide services that protect and maintain the health of the community and reduce the incidence of disease, injury or disability.
- 1.2 Increase awareness and understanding of good public and environmental health through community and business education programs.
- 1.3 Promote a safe and home-like environment for residents by ensuring quality of care in supported residential facilities.
- 1.4 Facilitate community safety and resilience through the integration of public and environmental health in emergency management planning.

2023-2024 Priorities

Priority	Why this is important	Strategy
1. Actively collaborate and participate in the newly formed State Interagency Hoarding and Squalor group.	Actively collaborate and participate in the newly formed State Interagency Hoarding and Squalor group (SAHSN). This is a consultative forum that combines the North, East, West and South Hoarding and squalor groups, aiming address hoarding and squalor across the state through an interagency approach. EHA will facilitate meetings once every year and will continue to support the group and assist in advocating for more effective resolutions, development, review and distribution of hoarding and squalor legislation, guidelines and procedures.	1.1
2. Develop educational material to be communicated to swimming pool operators.	Develop and provide education material to assist pool operators to respond to faecal and vomit release incidents and communicate to pool users of their responsibilities. Education to increase awareness and assist with keeping the pool water clean to minimise the risk of contracting certain infectious diseases.	1.2

3. Continue to provide feedback to SA Health on the review of Public Health Regulations review as required.	EHA's key responsibility is to administer the Public Health Act and its associated Regulations. Providing feedback to the review of the Regulations enables EHA to address what is working well and areas of change to enable these legislative tools to be effective to ensure residents are provided with a safe and healthy lifestyle.	1.1
4. Promote and educate safe Personal Care and Body Art practices within local schools.	Investigate the potential to educate the risks associated with high-risk Personal Care and Body Art high activities within local schools. Aim to increase the awareness on the public health risks to allow for better informed decision to be made.	1.1 1.2

Core services

EHA will continue to:

- Implement the elements of the Regional Public Health Plan 'Better Living, Better Health' as they apply to EHA.
- Comply with all relevant legislation and reporting requirements in undertaking assessments and investigating complaints to ensure appropriate standards are met in regulated premises:
 - Public swimming pools and spas
 - Cooling towers and warm water systems
 - Personal care and body art
 - Onsite wastewater management systems
- Respond to or coordinate multi-agency responses to public health enquiries and complaints within the built environment that give rise to public health risk.
- Provide information, advice and resources to households and businesses to assist with the management of public health risks.
- Contribute to and promote interagency management of residents impacted by hoarding and squalor.
- Develop, maintain, and distribute a comprehensive range of health education and promotion material to educate the community and promote good public health.
- Assess applications under the Supported Residential Facilities legislation and undertake inspections and investigations to ensure residents receive an appropriate level of care.
- Liaise with Constituent Councils and Eastern Adelaide Zone Emergency Management Committee to ensure integration of emergency management arrangements.

- Provide public and environmental health information to the community and businesses during emergencies to minimise public health consequences of emergency events.

Key performance indicators

We will know that we are on track to achieve our strategic objectives if we are meeting these Key Performance Indicators.

Strategic Objectives	KPIs
<p>1.1 Provide services that protect and maintain the health of the community and reduce the incidence of disease, injury or disability.</p>	<p>EHA is meeting all public and environmental inspection requirements as per relevant legislation (and / or) adopted service standards.</p> <p>All public health complaints are responded to within EHA's adopted service standards.</p>
<p>1.2 Increase awareness and understanding of good public and environmental health through community and business education programs.</p>	<p>Reduce the number of health inspections that require a follow up inspection to achieve compliance.</p> <p>All Constituent Councils are using EHA public health resources in their own communications.</p> <p>Participation in at least two proactive educational activities annually.</p>
<p>1.3 Promote a safe and home-like environment for residents by ensuring quality of care in supported residential facilities.</p>	<p>Conduct unannounced audits of all single license / non-dual Support Residential Facilities annually.</p> <p>All licensing applications are processed within the legislated timeframes.</p>
<p>1.4 Facilitate community safety and resilience through the integration of public and environmental health in emergency management planning.</p>	<p>Attend and participate in all Eastern Adelaide Zone Emergency Management Committee meetings.</p> <p>Conduct or participate in at least one business continuity or emergency management plan exercise annually.</p>

Focus Area 2 - Immunisations

Strategic Objectives

- 2.1 Contribute to the effective control of preventable disease by delivering a high-quality public clinic immunisation service that complies with all relevant legislation and standards.
- 2.2 Increase number of adult and child clients and vaccinations through promotion and provision of accessible clinics, booking systems and appointment times.
- 2.3 Continue to be recognised as a trusted partner and sector leading immunisation provider of choice.
- 2.4 Advocate for appropriate funding to ensure that local government delivery of immunisation services is financially sustainable.

2023-24 Priorities

Priority	Why this is important	Strategy
1. Promotion of EHA's public immunisation clinic program through channels identified in the EHA Marketing Plan – in particular Prospect and Walkerville Immunisation clinics as they have returned to the Council locations in 2023	<p>The development and distribution of promotional and information materials to our community increases awareness of our services and the importance of immunisation.</p> <p>EHA's website is an effective platform for communication of this information and other information relating to the various immunisation programs and projects being delivered.</p> <p>Building EHA's Social Media presence through Constituent Council platforms will assist in increasing awareness of immunisation clinics and Flu Worksites.</p> <p>Encourage Prospect and Walkerville residents to utilise EHA's free immunisation services that their council offers.</p>	<p>2.1</p> <p>2.2</p> <p>2.3</p>
2. Continue to ensure the effective governance and delivery of EHA's public clinic immunisation program in accordance with the National Immunisation Program (NIP) Schedule.	<p>Immunisation is a safe and effective way of protecting people against harmful diseases that can cause serious health problems. Effective management and governance of the immunisation program delivered by our specialist immunisation nurses and our customer service team,</p>	<p>2.1</p> <p>2.2</p> <p>2.3</p>

	ensures that our community receive a high quality and safe immunisation service.	
3. Deliver School Immunisation Program (SIP) in accordance with the SA Health Service Agreement contract. Adjust and plan for the vaccine change in the SIP (HPV dose from 2 to 1) in 2023 as well as the inclusion of the year 7 cohort.	An effective ongoing relationship with SA Health and the High Schools located within our area is critical the delivery of a successful program. Key elements include liaising with school coordinators and SA Health regarding the implementation and evaluation of the program, community engagement with schools, submission of consent information and statistics via IRIS and the Australian Immunisation Register (AIR). Future school planning to include spreading school visits out evenly throughout the year due to changes in vaccine intervals. This will assist with capacity to deliver workplace flu programs from April – June.	2.4
4. Develop a business case for the provision of immunisation services on behalf of non-Constituent Councils (dependent on available opportunities). Continue to provide immunisation services to contract councils.	EHA can diversify its revenue sources by providing additional services where it has capacity and where there will be a net benefit to Constituent Councils. Providing immunisation services to Adelaide Hills and Unley Council residents, in turn gaining additional exposure of EHA services to neighboring councils encouraging residents to utilise EHA services.	2.3

Core services

EHA will continue to:

- Deliver a School Immunisation Program in accordance with the SA Health Service Agreement.
- Ensure effective governance and delivery of a public health clinic immunisation program in accordance with relevant legislation and EHA's adopted service standards.
- Promote and provide a professional and quality Workplace Immunisation Program on a fee for service basis.

- Promote EHA’s public immunisation clinic program in accordance with the EHA Marketing Plan
- Provide Constituent Councils with educational and promotional materials relating to immunisation.
- Promote EHA’s online booking system for immunisation appointments
- Participate in discussions with SA Health and the Local Government Association about funding and support for the delivery of local government immunisation services.
- EHA services have not historically been included in the Commonwealth’s current roll out of COVID-19 vaccinations. EHA will however continue its regular contact with SA Health to enquire about future involvement in delivery of the COVID-19 vaccine in both our SIP and NIP programs.

Key performance indicators

We will know that we are on track to achieve our strategic objectives if we are meeting these Key Performance Indicators.

<i>Strategic Objectives</i>	<i>KPIs</i>
2.1 Contribute to the effective control of preventable disease by delivering a high-quality public clinic immunisation service that complies with all relevant legislation and standards	Annual clinical performance evaluation completed. Submit all reports within the required timeframes. Annual Cold Chain audit and pharmaceutical refrigerator maintenance.
2.2 Continue to increase number of adult and child clients and vaccinations through promotion and provision of accessible clinics, booking systems and appointment times.	Maintain or increase the number of public immunisation clinics offered by EHA annually. All eligible students are offered vaccinations through the School Immunisation Program and all absent students are invited to EHA public clinics to catch up. 70% of bookings are made via the Immunisation Online Booking System. Clinic Timetable reviewed and published by 30 November.

<p>2.3 Continue to be recognised as a trusted partner and sector leading immunisation provider of choice.</p>	<p>Renewal rate for EHA Workplace Immunisation Program is not less than 70%</p> <p>Satisfy all requirements of the SA Health Service Agreement contract.</p>
<p>2.4 Advocate for appropriate funding to ensure that local government delivery of immunisation services is financially sustainable.</p>	<p>No reduction in the level of State Government funding provided to EHA to deliver immunisation services.</p>

Focus Area 3 - Food Safety

Strategic Objectives

- 3.1 Contribute to the effective control of preventable illness by monitoring and enforcing food safety standards and investigating food related complaints on behalf of Constituent Councils.
- 3.2 Be proactive in building positive relationships with food businesses and provide training and resources to encourage and support compliance with food safety standards.
- 3.3 Build community awareness of food safety issues by leading or participating in food safety education projects and partnerships.

2022-23 Priorities

Priority	Why this is important	Strategy
<p>1. Communicate and assist food businesses where required in understanding and preparing for the new legislative food management tools Standard 3.2.2a that will come into effect within 12 months: food safety supervisor; food handler training and records or evidence.</p>	<p>On 8 December 2022 the national Food Safety Standard 3.2.2a – Food Safety Management Tools were Gazette. In summary there are three food safety management tools: food safety supervisor; food handler training and records and evidence. The Standard introduces new requirements for Australian businesses in food service, catering and retail sectors that handle unpackaged potentially hazardous food that is ready to eat. The tools have been introduced to improve the skills and knowledge of all food handlers and thereby improving the management of controls that are critical to food safety. Throughout the year, EHOs will be assisting businesses where possible to help prepare and understand the expectation of these</p>	<p>3.1 3.2</p>

	new standard before it becomes into effect in December 2023.	
2. Continue to collate a biennial food safety newsletter training be distributed to EHA's food businesses.	A newsletter provides communication to a target audience. It enables EHA to communicate to food businesses on any key legislative updates, promotes positive food safety culture, spotlights safe food safety practices and new initiatives within the industry. The newsletter also enables food businesses to recognise that EHA's services extends to education providing food businesses with confidence to contact EHA regarding food safety questions and advice.	3.1 3.2 3.3
3. Develop new food safety educational videos to be accessed on EHA's website.	Develop new food safety educational videos to be accessed on EHA's website. Short, silent videos with occasional text to provide clarity, to capture a wider audience, including those who are deaf or hard of hearing and where English is a second language. Food safety educational videos aim to promote safe food practices and improve food safety culture.	3.1 3.2 3.3

Core services

EHA will continue to:

- Monitor and maintain a register of all food businesses operating within EHA's jurisdiction
- Conduct routine food business assessments using an appropriate food safety rating tool to ensure compliance with the *Food Act 2001* and Food Safety Standards.
- Undertake enforcement action in relation to breaches of the *Food Act 2001* and Food Safety Standards and follow up actions to ensure compliance is achieved
- Implement the voluntary SA Health Food Star Rating Scheme
- Respond to food related customer complaints in accordance with customer service standards and SA Health guidelines and maintain a register of all food related complaints
- Respond to food recalls in accordance with SA Health recommendations
- Engage with applicants and provide advice to Constituent Councils about development applications and the structural fit out of new food businesses
- Assess risks, conduct safety assessments where required and provide educational materials for temporary food businesses and temporary events
- Provide reports on food safety assessments investigations and actions to the Board, Constituent Councils and SA Health
- Provide a food safety training program for new businesses
- Develop and maintain a comprehensive range of health education and promotion material on food safety related issues.

Key performance indicators

We will know that we are on track to achieve our strategic objectives if we are meeting these Key Performance Indicators.

Strategic Objectives	KPIs
<p>3.1 Contribute to the effective control of preventable illness by monitoring and enforcing food safety standards and investigating food related complaints on behalf of Constituent Councils.</p>	<p>EHA is meeting all food safety inspection requirements for higher risk food business determined by the SA Food Business Risk Classification Framework and performance of the food business.</p> <p>All food safety complaints are investigated in accordance with EHA service standards and SA Health instructions.</p>
<p>3.2 EHA is proactive in building positive relationships with food businesses and provide training and resources to encourage and support compliance with food safety standards.</p>	<p>Reduce the number of routine food premise inspections requiring a follow up inspection to address non-compliance.</p> <p>The average rating given under the SA Health Food Star Rating Scheme in increasing annually</p> <p>All new food businesses receive an EHA Welcome Pack following notification.</p>
<p>3.3 Build community awareness of food safety issues by leading or participating in food safety education projects and partnerships.</p>	<p>Provide food safety training to at least 60 participants annually.</p> <p>All Constituent Councils are using EHA food safety education materials in their communications.</p>

Focus Area 4 - Governance and Organisational Development

Strategic Objectives

- 4.1 Achieve best practice standards of governance in accordance with the EHA Charter and relevant legislation.
- 4.2 Keep Constituent Councils informed of the services and actions performed by EHA on their behalf and the community outcomes being achieved.
- 4.3 Demonstrate leadership within the local government sector as an advocate for public health reforms that benefit the community and councils.
- 4.4 Provide a safe, healthy and rewarding working environment.

2023-24 Priorities

Priority	Why this is important	Strategy
1. In consultation with Constituent Councils, review and revise the EHA business planning and reporting framework.	Feedback from Constituent Councils highlights that we can improve the way we plan our services and measure the outcomes we deliver to councils and the community. The new format of this Annual Business Plan is the start of this process and further improvements can be made by developing and adopting a new planning and reporting framework.	4.1 4.2
2. Work with the Audit Committee and the Board to review and revise the financial indicators in the Long-Term Financial Plan.	The EHA Long Term Financial Plan contains financial sustainability measures that are consistent with those used by Councils. As a subsidiary with a clearly defined focus on delivering public health services, we can explore whether these are the most meaningful measures for EHA to use in its new business planning and reporting framework.	4.1
3. Create a Chief Executive group with Constituent Council CEOs to channel information and bilateral communication.	Feedback from Constituent Councils indicated that regular executive communication at a group and individual level between EHA and its Constituent Councils would strengthen relationships.	4.2

4. Development of targeted quarterly performance reports for Constituent Councils to supplement Board reports.	Regular (quarterly) targeted performance reporting on a dash board format, focusing on high-level EHA service provision.	4.2
5. Deliver upon request a presentation highlighting strengths and benefits of centralised service delivery model for Constituent Council Elected Members.	A presentation provided to Constituent Council Elected Members and/or Executive which highlight the benefits of EHA as a centralised service delivery model provider will assist with strategic council engagement and relationships.	4.2

Core services

EHA will continue to:

- Achieve full compliance with the requirements of the EHA Charter and the Local Government Act 1999.
- Provide administrative assistance to the Public Health Plan Advisory Committee
- Prepare and monitor a Long-Term Financial Plan
- Prepare, monitor, and implement a Corporate Risk Plan
- Make submissions on public health reforms on behalf of Constituent Councils
- Compile and submit all periodic reports on EHAs activities required by legislation (Public Health Act, Food Act, Safe Drinking Water Act etc.)
- Explore the potential for the expansion of service provision to areas outside of current Constituent Councils
- Expand the functionality of Health Manager and Mobile Health to improve inspection, compliant and administrative efficiency and reporting capabilities
- Foster team cohesiveness and support effective teamwork
- Provide systems for a safe working environment with appropriate Work Health and Safety (WHS) practices in place
- Provide professional development opportunities to staff and encourage membership of relevant professional organisations.

Key performance indicators

We will know that we are on track to achieve our strategic objectives if we are meeting these Key Performance Indicators.

Strategic Objectives	KPIs
4.1 Achieve best practice standards of governance in accordance with the EHA Charter and relevant legislation.	No instances of non-compliance with the EHA Charter. No instances of non-compliance with the reporting requirements to external bodies required by legislation. Ongoing implementation of all risk controls in the EHA Corporate Risk Plan.
4.2 Keep Constituent Councils informed of the services and actions performed by EHA on their behalf and the community outcomes being achieved.	Meet with Constituent Council nominated contacts at least four times per year. Respond to all Constituent Council requests for information within 5 business days. Provide an Annual Report to Constituent Councils by 30 September. All Constituent Councils participate in EHA's Annual Business Plan and Budget setting process.
4.3 Demonstrate leadership within the local government sector as an advocate for public health reforms that benefit the community and councils.	Written submissions on public health reform proposals are endorsed by the Board. Attend meetings of the Environmental Managers Forum.
4.4 Provide a safe, healthy and rewarding working environment.	WHS is an agenda item at all EHA staff meetings. Annual staff training and development budget is not less than 1.75% of total budget. Staff portfolios are reviewed annually as part of a performance development framework.

Budget Overview

The forecast for the 2023/2024 financial year is that EHA's operating result will be a deficit of \$30,000. The deficit is an accounting deficit (depreciation and amortisation treatments for leases) and the contributions requested from Constituent Councils will provide for a balanced operating cash budget.

A total of \$1,944,200 will be raised through contributions from our Constituent Councils

This represents a zero (6.4%) increase in overall collective contributions from the previous year.

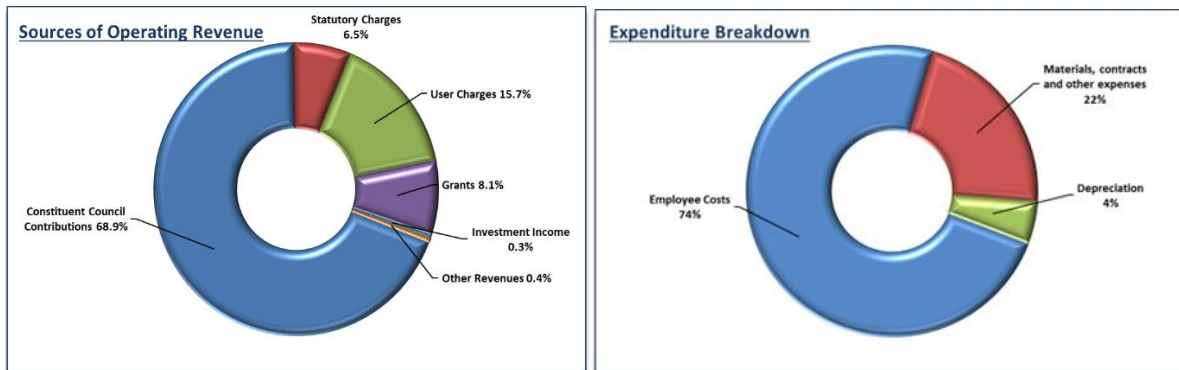
Operating Activity	(\$'000s)
Total Income	\$2,848
Less	
Employee costs	\$2,091
Operating Expenditure	\$731
Depreciation	\$26
Net Surplus (Deficit)	(\$26) Deficit

The key assumptions that have been used to prepare the 2023-24 Budget are summarised below.

- Use of Revised Contribution Formula which will have differing impacts on individual councils.
- CPI of 8.6%, equivalent to Adelaide CPI for period to 30 December 2022.
- Enterprise Agreement increase of 4.5%.
- Delivery of Immunisation Service Contracts to Unley Council and Adelaide Hills Council.
- Changes to 2023 and 2024 School Immunisation Program.

Funding the Annual Business Plan

The component of income required from Constituent Councils to fund EHA operations is determined by a formula contained within the EHA Charter. Aside for a 5% nominal administrative component that is shared equally (1% per council), costs are shared on a proportional basis, dependent upon the numbers of individual public health activities conducted by EHA on behalf of Constituent Councils.



2023-24 Budget

EASTERN HEALTH AUTHORITY STATEMENT OF COMPREHENSIVE INCOME		
FOR THE YEAR ENDING 30 June 2024		
ADOPTED BUDGET 2022/2023		DRAFT BUDGET 2023/2024
	<u>INCOME</u>	
1,828,000	Council Contributions	1,970,200
185,000	Statutory Charges	183,800
407,000	User Charges	442,500
301,000	Grants, subsidies and contributions	230,000
7,000	Investment Income	10,000
11,000	Other Income	12,000
2,739,000	TOTAL INCOME	2,848,500
	<u>EXPENSES</u>	
2,014,000	Employee Costs	2,091,500
608,000	Materials, contracts and other expenses	731,000
35,000	Finance Charges	-
131,000	Depreciation	26,000
2,788,000	TOTAL EXPENSES	2,848,500
(49,000)	Operating Surplus/(Deficit)	-
	Net gain (loss) on disposal of assets	-
(49,000)	Net Surplus/(Deficit)	-
(49,000)	Total Comprehensive Income	-

EASTERN HEALTH AUTHORITY STATEMENT OF CASH FLOWS		
FOR THE YEAR ENDING 30 June 2024		
ADOPTED BUDGET 2022/2023		DRAFT BUDGET 2023/2024
	CASHFLOWS FROM OPERATING ACTIVITIES	
	Receipts	
1,828,000	Council Contributions	1,970,200
185,000	Fees & other charges	183,800
407,000	User Charges	442,500
7,000	Investment Receipts	10,000
301,000	Grants utilised for operating purposes	230,000
11,000	Other	12,000
-	Payments	
(2,014,000)	Employee costs	(2,091,500)
(608,000)	Materials, contracts & other expenses	(731,000)
(35,000)	Finance Payments	-
82,000	Net Cash Provided/(Used) by Operating Activities	26,000
	CASH FLOWS FROM FINANCING ACTIVITIES	
-	Loans Received	-
(38,391)	Repayment of Borrowings	-
(82,000)	Repayment of Finance Lease Liabilities	-
(120,391)	Net Cash Provided/(Used) by Financing Activities	-
	CASH FLOWS FROM INVESTING ACTIVITIES	
-	Receipts	
-	Sale of Replaced Assets	-
-	Payments	
-	Expenditure on renewal / replacements of assets	-
-	Expenditure on new / upgraded assets	-
-	Distributions paid to constituent Councils	-
-	Net Cash Provided/(Used) by Investing Activities	-
(38,391)	NET INCREASE (DECREASE) IN CASH HELD	26,000
640,883	CASH AND CASH EQUIVALENTS AT BEGINNING OF REPORTING PERIOD	602,492
602,492	CASH AND CASH EQUIVALENTS AT END OF REPORTING PERIOD	628,492

EASTERN HEALTH AUTHORITY STATEMENT OF FINANCIAL POSITION		
FOR THE YEAR ENDING 30 June 2024		
ADOPTED BUDGET 2022/2023		DRAFT BUDGET 2023/2024
	CURRENT ASSETS	
602,492	Cash and Cash Equivalents	628,492
231,080	Trade & Other Receivables	188,901
833,572	TOTAL CURRENT ASSETS	817,393
	NON-CURRENT ASSETS	
1,083,249	Infrastructure, property, plant and equipment	998,437
1,083,249	TOTAL NON-CURRENT ASSETS	998,437
1,916,821	TOTAL ASSETS	1,815,830
	CURRENT LIABILITIES	
133,225	Trade & Other Payables	163,940
289,466	Provisions	307,903
140,794	Borrowings	119,871
563,485	TOTAL CURRENT LIABILITIES	591,714
	NON-CURRENT LIABILITIES	
9,860	Provisions	21,716
898,056	Borrowings	851,594
907,916	TOTAL NON-CURRENT LIABILITIES	873,310
1,471,401	TOTAL LIABILITIES	1,465,024
270,087	NET CURRENT ASSETS/(CURRENT LIABILITIES)	225,679
445,420	NET ASSETS	350,806
	EQUITY	
502,570	Accumulated Surplus/(Deficit)	502,570
502,570	TOTAL EQUITY	502,570

EASTERN HEALTH AUTHORITY STATEMENT OF CHANGES IN EQUITY		
FOR THE YEAR ENDING 30 June 2024		
ADOPTED BUDGET 2022/2023		DRAFT BUDGET 2023/2024
	<u>ACCUMULATED SURPLUS</u>	
551,570	Balance at beginning of period	502,570
(49,000)	Net Surplus/(Deficit)	-
502,570	BALANCE AT END OF PERIOD	502,570
	<u>TOTAL EQUITY</u>	
551,570	Balance at beginning of period	502,570
(49,000)	Net Surplus/(Deficit)	-
502,570	BALANCE AT END OF PERIOD	502,570

11.5 EAST WASTE DRAFT 2023-2024 ANNUAL BUSINESS PLAN

REPORT AUTHOR: General Manager, Governance & Civic Affairs
GENERAL MANAGER: Chief Executive Officer
CONTACT NUMBER: 8366 4549
FILE REFERENCE: qA87860
ATTACHMENTS: A

PURPOSE OF REPORT

The purpose of this report is to present to the Council the East Waste Draft 2023-2024 Annual Business Plan for endorsement.

BACKGROUND

East Waste (the Authority) is a Regional Subsidiary established pursuant to Section 43 of the *Local Government Act 1999*, for the purpose of providing waste management services to Constituent Councils. The City of Norwood Payneham & St Peters, together with the Adelaide Hills Council, the City of Burnside, the City of Campbelltown, the City of Mitcham, the City of Prospect, the City of Unley and the Town of Walkerville, make up the Constituent Councils of East Waste.

Pursuant to Clause 51 of the East Waste Charter (the Charter), East Waste must prepare an Annual Plan which informs and supports the Authority's Annual Budget.

Upon completion of the draft Annual Plan and Budget, pursuant to Clause 52.3 of the Charter, the Authority must provide the draft Plan to Constituent Councils for the purposes of obtaining approval from the Constituent Council's on or before 31 May.

The Annual Plan can only be adopted by the East Waste Board, with absolute majority approval of the Constituent Councils.

RELEVANT STRATEGIC DIRECTIONS & POLICIES

Not Applicable

FINANCIAL AND BUDGET IMPLICATIONS

As a Constituent Council, there are financial implications for the Council's budget, emanating from the East Waste Draft Annual Business Plan (the Plan) and Budget and while Constituent Councils are not required, pursuant to the East Waste Charter, to approve the East Waste Budget, by virtue of the endorsement of the Plan, the Constituent Councils ostensibly endorse the Authority's draft Budget.

The Authority's draft Budget is based on a Common Fleet Costing methodology, with Common Fleet Costs, which predominately relate to collection costs, being charged to Constituent Councils based on the cost to undertake the collection of each Constituent Council's waste streams. The allocation of the Common Fleet Costs is based on the East Waste's GPS System. It should be noted that as per the Authority's Budget Policy, the Common Fleet Cost includes an additional charge to incorporate a return on revenue, which is currently set at 1% of the Common Fleet Costing Charge.

In addition, where Constituent Councils utilise East Waste for other services such as Contract Management Services (Disposal and Resource processing) and Waste Bin Maintenance, these services are on-charged to the respective Councils at cost.

The Draft 2023-2024 Budget is reporting an Operating Surplus of \$148,000. The Council's share of the draft Operating Surplus is \$21,164, which is based on this Council's ownership share of the Authority of 14.3%.

The Authority's overall collection costs have increased by 7.2% on the 2022-2023 Budget, however for this Council, the collection cost has increased by 2.4%.

The Council's Draft Waste Management Budget, reflects a proposed Common Fleet fee of \$2.336 million (\$2.270 million in 2022-2023) to be charged for the collection of this Council's waste streams, which include Domestic waste, Green Organics, Recyclables, Public Litter Bins, Illegal Dumping and pre-booked Hard Rubbish Collection.

The Council's Draft 2023-2024 Budget has been amended to include these increased charges which have been proposed by East Waste.

EXTERNAL ECONOMIC IMPLICATIONS

Nil

SOCIAL ISSUES

Nil

CULTURAL ISSUES

Nil

ENVIRONMENTAL ISSUES

Nil

RESOURCE ISSUES

Nil

RISK MANAGEMENT

Nil

CONSULTATION

- **Elected Members**
Cr Claire Clutterham is a member of the East Waste Board and Cr Victoria McFarlane is the Deputy Board Member.
- **Community**
Not Applicable.
- **Staff**
Representatives from East Waste have held discussions with the Council's Manager, City Services regarding the collection costs.
- **Other Agencies**
Not Applicable.

DISCUSSION

The *East Waste 2030 Strategic Plan* is based on the following objectives:

- deliver cost-effective and efficient services facilities;
- maximise source separation and recycling;
- provide leading and innovative behaviour change and education;
- help develop a local circular economy; and
- provide leadership.

A summary of the key activities planned for 2022-2023 are detailed below:

Deliver Cost Effective and Efficient Services

- Continue and expand core services.
- Investigate opportunities outside of existing Member Councils.
- Undertake a review of Business Facilities.
- Establish Service Level Agreements.
- Increase Customer Engagement Opportunities.

Maximise Source Separation and Recycling

- Continue to advance 'Choice & Flexibility model'. This program will draw together the latest research and findings to develop an "off-the-shelf" framework which will drive reduced material to landfill, particularly food waste.
- Identify options for identified problematic waste (ie soft plastic), and the role East Waste can play in providing viable solutions for the community.

Provide Leading and Innovative Behaviour Change and Education

- Delivery of the "Why Waste It?" behaviour change program and associated social media.
- Household Reporting.

Help Drive a Local Circular Economy

- Engage with Recycling and Organics Processors to identify research, markets and opportunities for the strengthening of circular economy opportunities.

Provide leadership

- Fleet Replacement.
- Enterprise Agreement.
- WHS Responsibility and Accountability.
- Risk Mitigation and Governance.
- Implementation of Service Vision, Values and Standards.

A copy of the Draft 2023-2024 Annual Business Plan & Budget is contained in **Attachment A**.

OPTIONS

The Council can choose not to endorse the draft 2023-2024 Annual Business Plan, however, there are no specific issues or activities which present a financial or risk management issue for this Council to take this course of action.

CONCLUSION

In line with the East Waste Charter, Constituent Councils are not required to endorse the draft Budget however by virtue of the endorsement of the Annual Plan, the Council is also ostensibly endorsing the East Waste Budget.

COMMENTS

Nil

RECOMMENDATION

That the Eastern Waste Management Authority Incorporated be advised that pursuant to Clause 52 of the Charter, the Council has considered and hereby approves the Authority's Draft 2023-2024 Annual Business Plan.

Attachments – Item 11.5

Attachment A

East Waste Draft 2023-2024 Annual Business Plan

City of Norwood Payneham & St Peters
175 The Parade, Norwood SA 5067

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Facsimile 8332 6338
Email townhall@npsp.sa.gov.au
Website www.npsp.sa.gov.au



City of
**Norwood
Payneham
& St Peters**

EastWaste

\$3.09M

per year could be saved if all food and compostable materials were placed in the green bin rather than the landfill bin

58.2%
of resources were diverted from landfill however...

56.9%
of the material in the general waste/landfill bin could be recycled or composted

41.7%
was food and compostable items that should go in the green bin

9.4%
was packaged food in plastic bags or containers. These should have been emptied into the green bin

13.5% was recyclable material

14.4%
contamination

10.4%
of contaminants was general waste

Only **12.1%** of all food organics were disposed of correctly in the green bin

EastWaste

2023/24 Annual Plan

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VISION

The Destination

To be the leading waste logistics company in Australia through the delivery of innovative collection and resource management services.

MISSION

The Vehicle

Delivering leading-edge solutions and services for a cleaner and sustainable future.

Executive Summary

Having onboarded the City of Unley in the last half of 2022, East Waste now has eight high-quality Member Councils which it provides an array of kerbside waste and services to. This equates to over 40% of South Australia's metropolitan Councils and approximately 25% of the Adelaide population.

The focus of the FY24 Annual Plan is diverse, however has three primary focus areas:

1. A continuation of activities designed to improve the connection and interaction with residents seeking to engage with East Waste.
2. Progression of behaviour change programs, principally around food diversion from landfill to organics.
3. Strengthening the integrity of our internal systems, processes and framework in order to reduce risk and improve our already high Governance levels.

Sharp CPI increases, including the highest quarter increase in the past 30 years, necessitates East Waste curbing expenditure in several other areas to mitigate the impost on Member Councils. Fuel continues to remain volatile, making confident forward projections challenging.

Background

East Waste is the trading name of Eastern Waste Management Authority, which was established in 1928. The Authority is a regional subsidiary of the Adelaide Hills Council, City of Burnside, Campbelltown City Council, City of Norwood Payneham & St Peters, City of Mitcham, City of Prospect, City of Unley and Town of Walkerville.

East Waste is governed by a Charter ([the Charter](#)) pursuant to *Section 43* of the *Local Government Act 1999* and administered by a Board, which includes a director appointed by each Council and an Independent Chair. Through the admission of the City of Unley as a Member Council, East Waste undertook the required periodic review of the Charter which has now been endorsed by all Member Councils and is live.

Clause 51 of the Charter requires the Authority each year to have an Annual Plan which supports and informs the budget. Specifically, it is to include an outline of East Waste's objectives, the activities intended to be pursued, and the measurement tools defined to assess performance. It must also assess and summarise the financial requirements of East Waste and set out the proposals to recover overheads and costs from the Member Councils.

Sitting above the Annual Plan is the *East Waste 2030 Strategic Plan* which sets out a series of bold and ambitious targets (Key Performance Indicators) which we aspire to meet through five Key Objectives and a series of Strategies. The *2030 Strategic Plan* is summarised on the following page.

For full context this Plan should be read in conjunction with East Waste's broader strategic planning framework including the *Strategic Plan 2030*, Long-Term Financial Plan, and Risk Management Planning Framework.

As a regional subsidiary, East Waste recognises that success from this Annual Plan is not possible without the continued support, integration and active working partnership of all our Member Councils and key Strategic Partners. East Waste is committed to developing and continuing partnerships which ultimately drive value back to the communities we serve. The value East Waste offers is unique, in that we are continually working with our Member Councils to drive down costs. East Waste have established a model where we are nimble and respond swiftly to external impacts and Member Council requests, in a far more timely manner than industry counterparts. East Waste takes much of the worry and pressures associated with waste away from the Member Councils, allowing them to focus on other key matters of importance to them and their communities.

East Waste 2030 Strategic Plan Vision, Objectives & Strategies

VISION

To be the leading waste logistics company in Australia through the delivery of innovative collection and resource management services to our Member Councils & their Communities.

OBJECTIVES

1. Deliver cost-effective and efficient services facilities

2. Maximise source separation and recycling

3. Provide leading and innovative behaviour change and education

4. Help develop a local circular economy

5. Provide leadership

STRATEGIES

- 1.1 Attract additional services and/or new councils where further economies of scale can be achieved
- 1.2 Offer a single contract for the management of the residual waste to all member councils
- 1.3 Partner with other councils and organisations to achieve greater synergies and economies of scale in service delivery
- 1.4 Investigate and implement collection technologies and innovation
- 1.5 Provide a consistently high standard of Customer Service

- 2.1 Provide more service choice and flexibility to residents on kerbside services to support them to increase their recycling levels
- 2.2 Provide a tailored 3-stream service to Multi-Unit Dwellings (MUDs) to support waste reduction and increased recycling
- 2.3 Pilot a tailored service delivery model across a business precinct(s) to support waste reduction and increased recycling

- 3.1 Engage in research and projects delivering evidence-based data which increases behaviour change decision making
- 3.2 Develop an integrated and tailored long-term community behaviour change and education program
- 3.3 Identify and trial behaviour change programs aimed at reducing contamination
- 3.4 Encourage and support councils to introduce an incentive(s) to households to reduce their landfill volumes
- 3.5 Engage schools in behaviour change & waste education

- 4.1 Support local reprocessing and procurement of recycled content products
- 4.2 Encourage and support councils to procure and use recycled content products
- 4.3 Support councils to implement sharing economy and reuse initiatives
- 4.4 Investigate options to process and extract the highest value from collected resources

- 5.1 Implement best practice safety standards
- 5.2 Advocate on behalf of our Member Councils
- 5.3 Invest in our people
- 5.4 Quality and transparent Corporate (Governance & Financial) Activities

KPIs

We will measure our success in reaching our objectives through the following KPIs...



2023/24 Focus

At a high level, progression towards the Vision and 2030 Strategic Plan Key Performance Indicators (KPIs) will be the primary focus and sit behind all the activities that East Waste undertake in the 12 months from 1 July 2023.

The KPIs set in the 2030 Strategic Plan were deliberately designed to be stretch targets and will require creative approaches and the support and engagement with our Member Councils and external Organisations in order to achieve them. The 15 programs listed below will step East Waste towards these goals, however, are by no means a silver bullet to achieving any of the KPIs.

Objective 1: Deliver cost-effective and efficient services & facilities ensure East Waste remains true to its core function of providing high quality and fiscally efficient services to Member Councils, while at the same time seeking external opportunities which add value to the East Waste model. In addition, ensuring that we continue to have contemporary modes of engagement and facilities to deliver services is paramount.

Objective 2: Maximise Source Separation and Recycling and *Objective 3: Provide leading and innovative behaviour change and education* are centred on improving material efficiency, diversion from landfill and actively working towards the Key Performance Indicators listed within the 2030 Strategic Plan. The actions are also designed to help East Waste as an entity, achieve the State Government 2025 diversions targets (specifically Municipal Solid Waste and Food). Within these targets are specific actions centred around improving food waste efficiency and driving down the \$3.09M of wasted resources and financial costs across Member Councils each year. Food diversion remains our single biggest opportunity and with growing Member Council support and enthusiasm, the FY24 year shapes as a pivotal formation year for several exciting and rewarding programs in this space. Undoubtedly, these will reinforce East Waste as leader in the space.

Objective 4: Help Drive a Local Circular Economy, recognises that East Waste has a role to play in assisting and supporting our Members to be more engaged and active within the local circular economy space.

Objective 5: Provide Leadership, actions assist East Waste to continue to strengthen the integrity of internal systems, processes and framework and invest in our people, in order to reduce risk and improve our already high Governance levels.

The actions are far from a prescriptive list, rather the key projects East Waste intends to undertake over the 2023/24 year and more detail on each is provided below. While these will be the key focus, East Waste will remain as a fluent and adaptable Organisation that is able to pivot and respond as required to maximise funding, partnerships, opportunities and projects that will fast-track the pursuit of our KPIs.

This Annual Plan is to be effective from 1 July 2023.

Annual Plan 2023/24 Delivery Schedule

NO.	ACTIVITY/PROJECT	OVERVIEW	OBJECTIVE	STRATEGY	MAIN KPI/TARGET	BUDGET
DELIVER COST EFFECTIVE AND EFFICIENT SERVICES AND FACILITIES						
	Continue & Expand Core services	East Waste optimisation will come from providing a full suite of services to Member Councils. Where this doesn't occur, East Waste will work with the respective Councils in a bid to secure these services.	Deliver Cost Effective and efficient services and facilities	1.1	Vision Target	Recurrent
	Investigate opportunities outside of existing Member Councils.	When potential opportunities arise, East Waste will investigate service provision to non-member Councils where value to existing Members can be realised.	Deliver Cost Effective and efficient services and facilities	1.1	Vision Target	Recurrent
	Undertake a review of Business Facilities	East Waste currently leases Depot facilities at 1 Temple Court Ottoway. Ahead of the lease expiration, completion of a business case covering a review of existing arrangements, future needs and growth is appropriate.	Deliver Cost Effective and efficient services and facilities	1.3	Vision Target	Recurrent + Service Initiative \$0.025M
	Establish Service Level Agreements	The establishment of Service Level Agreements (SLA) with each Member Council will better clarify roles and responsibilities across the range of delivery areas.	Deliver Cost Effective and efficient services and facilities	1.5	Vision Target	Recurrent
	Increase Customer Engagement Opportunities	Further enhancement of customer access and engagement through online service portals for the booking of key East Waste services.	Deliver Cost Effective and efficient services and facilities	1.5	Vision Target	Recurrent + Service Initiative \$0.015M

MAXIMISE SOURCE SEPARATION & RECYCLING

1.	Continue to advance a broadscale 'Choice & Flexibility model.'	Secure and deliver at least one 'Choice & Flexibility' trial with a Member Council with a view to enhancing knowledge on a full roll out for all Member Councils.	Maximise Source separation and recycling	2.1	<ul style="list-style-type: none"> • At least 75% of kerbside material separately collected & recycled • 100% of food waste separately collected and recycled. 	Recurrent + Service Initiative \$0.075k
2.	Investigate options for identified problematic waste (ie. soft plastics) and the role East Waste can play in providing viable solutions for the community	There are several problematic waste streams and/or infant or proposed programs to address the problem. This project will investigate key issue waste streams and determine the best role East Waste can play in supporting, promoting, or implementing.	Maximise Source separation and recycling	2.1	<ul style="list-style-type: none"> • At least 75% of kerbside material separately collected & recycled • Reduce average contamination of kerbside comingled recycling stream to less than 7% 	Recurrent

• PROVIDE LEADING AND INNOVATIVE BEHAVIOUR CHANGE AND EDUCATION

8.	Delivery of the “Why Waste It?” behaviour change program and associated social media.	Utilising the results of the reviews and biennial kerbside audits undertaken over the past 4 years, refine and deliver the ongoing successful “Why Waste It?” program.	Provide leading and innovative behaviour change and education	3.2	• Vision Target	Recurrent + Service Initiative \$0.170M
9.	Household Reporting	Utilising the latest proven technology, determine if individual household reporting, on key waste metrics can be collected and efficiently distributed to householders in a bid to improve awareness and landfill diversion.	Provide leading and innovative behaviour change and education	2.2	At least 75% of kerbside material separately collected & recycled	Recurrent + Service Initiative \$0.140M

HELP DRIVE A LOCAL CIRCULAR ECONOMY

10.	Engage with Recycling and Organics Processors to identify research, markets and opportunities for the strengthening of circular economy opportunities	Through contracts with two proactive Material Recovery Facilities and a long-standing relationship with Jeffries, an opportunity exists to maximise local reuse opportunities. This project will investigate new and existing opportunities and pathways to adoption by East Waste and Member Councils.	Help Drive a Local Circular Economy	4.1	Vision Target	Recurrent
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PROVIDE LEADERSHIP						
11.	Fleet Replacement	In line with the Long-Term Financial Plan, undertake the replacement of six (6) collection vehicles.	Provide Leadership	5.4	Vision Target	Capital \$2.155M
12.	Enterprise Agreement	Negotiate Enterprise Agreement for Operational Staff.	Provide Leadership	5.3	Invest in our People	Recurrent + Service Initiative \$0.020M
13.	WHS System Responsibility and Accountability	Work Health & Safety Management System Responsibility and Accountability were identified as an area for improvement within the recent LGRS risk audit. East Waste will review current relevant WHSMS responsibilities and accountabilities and where required, implement improvements to ensure greater Organisational awareness and commitment.	Provide Leadership	5.1	Implement best practice safety standards	Recurrent
14.	Risk Mitigation & Governance	Review key finance and governance systems, and processes to identify one or more of; <ul style="list-style-type: none"> • Process efficiency; • Process integrity; • Improved governance; and • Knowledge improvement & retention, 	Provide Leadership	5.4	Quality & Transparent Corporate Activities.	Recurrent
15.	Implementation of Service Vision, Values and Standards.	Generate and implement across the Organisation a tailored Service Vision, Values and Standards framework, that drives a clear vision, consistency and ultimately an enhanced customer experience	Provide Leadership	5.3	Invest in our People	Recurrent + Service Initiative \$0.025M



Budget Management

East Waste operates its waste collection services on a Common Fleet Costing methodology, whereby each respective Member Council is charged directly according to the proportionate time it takes to undertake their respective collection services. This is achieved through the utilisation of a specialised, highly accurate and powerful cloud-based, real-time GPS based system, supported by detailed reporting capabilities. As a result of this, minor variations in the common fleet percentages (and therefore apportioning of Common Fleet costs) occur from year-to-year to account for realised efficiencies, changes in the number of collections undertaken and movement in collection operating costs (e.g. Development increases, Fire Ban days and events).

The Tables on the following page provide a detailed summary of the key business activities undertaken by East Waste on behalf of its Member Councils. Table 1 provides a summary of the operating and capital income and expenditure elements forecasted for waste collection activities for 2023/24. Unsurprisingly the most significant expenditure relates to the logistical requirements of serving the kerbside collections across eight Councils and over 25% of Adelaide's residential population. Fleet replacement, which occurs on a cyclical annual basis, is currently funded via external loan borrowings.

As can be seen from Tables 2 and 3, one of the significant benefits of being an East Waste member is that on top of the highly competitive prices received as a result of aggregated buying power, no administrative, handling or on-costs are charged in relation to resource processing contracts held by East Waste or bin maintenance services. All are charged at-cost.

Labour and fuel costs are the two largest operational costs relating to waste collection and processing activities undertaken by East Waste which have been subject to volatile movements in the past 18 months given the impact of domestic and global economic impacts. This has made budgeting exceedingly challenging when developing the 2023/24 budget and while all available information and indicators have been considered for inclusion in these figures, the potential for significant cost movement (in particular within fuel and finance costs) remains a high risk to East Waste achieving its desired financial targets.

A series of higher-than-expected CPI increases, including the annual December 2022 rate increasing for Adelaide of 8.6%, has necessitated the need to apply a higher-than-historical increase to several cost centres which have contracts tied to CPI increases. In order to keep Member Council cost increases to lower than CPI rates, East Waste have offset where possible with minimal and/or no increase across a number of other cost centres.

The budget to deliver this Annual Plan, along with all East Waste's Services and legislative requirements is detailed in the following proposed 2023/24 Financial Papers (refer Attachment 1 – 5).

Table 1: 2023/24 Budget Summary - Waste Collection Services

	Income \$	Expenditure \$	Net Surplus /Deficit \$
Recurrent- Waste Collection	16,712,597	16,383,473	329,124
Recurrent - Corporate Administration	326,347	-	326,347
Service Initiatives	50,000	540,000	(490,000)
Capital Program	-	2,155,000	(2,155,000)
Total	17,088,944	19,078,473	(1,989,529)

Table 2: 2023/24 Budget Summary - Bin Maintenance Services

	Income \$	Expenditure \$	Net Surplus /Deficit \$
Recurrent	1,310,575	1,310,575	-
Service Initiatives	-	-	-
Capital Program	-	-	-
Total	1,310,575	1,310,575	-

Table 3: 2023/24 Budget Summary - Waste Processing Services

	Income \$	Expenditure \$	Net Surplus /Deficit \$
Recurrent	5,757,171	5,757,171	-
Service Initiatives	-	-	-
Capital Program	-	-	-
Total	5,757,171	5,757,171	-

Financial Statements

EAST WASTE

Projected Statement of Comprehensive Income (Budgeted)
for the Financial Year Ending 30 June 2024

FY2022 Audited Actuals \$'000		FY2023 Adopted Budget \$'000	FY2023 BR2 \$'000	FY2024 Proposed Budget \$'000
	Income			
16,579	User Charges	21,955	21,581	22,747
10	Investment income	13	23	20
81	Grants, subsidies and contributions	75	75	50
932	Other	1,069	1,019	1,322
17,602	Total	23,112	22,698	24,139
	Expenses			
6,386	Employee Costs	7,164	7,174	7,675
9,303	Materials, contracts & other expenses	13,241	12,482	13,275
2,043	Depreciation, amortisation & impairment	2,346	2,346	2,657
246	Finance costs	406	371	384
17,978	Total	23,157	22,373	23,991
(376)	Operating Surplus / (Deficit)	(45)	325	148
7	Asset disposals & fair value adjustments	200	100	18
(369)	Net Surplus / (Deficit)	155	425	166
-	Other Comprehensive Income	-	-	-
(369)	Total Comprehensive Income	155	425	166

EAST WASTE

Projected Balance Sheet (Budgeted)

for the Financial Year Ending 30 June 2024

FY2022		FY2023	FY2023	FY2024
Audited		Adopted	BR2	Proposed
Actuals		Budget	Budget	Budget
\$'000		\$'000	\$'000	\$'000
	Assets			
	Current			
2,001	Cash & Cash Equivalents	2,056	2,355	2,886
935	Trade & Other Receivables	661	935	935
50	Inventory	-	50	50
2,986	Total	2,717	3,340	3,871
	Non-Current			
8,542	Infrastructure, Property, Plant & Equipment	11,022	11,024	10,490
8,542	Total	11,022	11,024	10,490
11,528	Total Assets	13,739	14,364	14,361
	Liabilities			
	Current			
1,436	Trade & Other Payables	1,145	1,361	1,311
1,940	Borrowings	2,355	2,355	2,200
778	Provisions	787	838	893
4,154	Total	4,287	4,554	4,404
	Non-Current			
6,410	Borrowings	8,351	8,361	8,287
114	Provisions	137	174	229
6,524	Total	8,488	8,535	8,516
10,678	Total Liabilities	12,775	13,089	12,920
850	Net Assets	964	1,275	1,441
	Equity			
850	Accumulated Surplus	964	1,275	1,441
850	Total Equity	964	1,275	1,441

EAST WASTE

Projected Statement of Cashflows (Budgeted)
for the Financial Year Ending 30 June 2024

FY2022		FY2023	FY2023	FY2024
Audited		Adopted	BR2	Proposed
Actuals		Budget		Budget
\$'000		\$'000	\$'000	\$'000
	Cash Flows from Operating Activities			
	Receipts			
17,400	Operating Receipts	23,024	22,600	24,069
9	Investment Receipts	13	23	20
	Payments			
(6,245)	Employee costs	(7,071)	(7,054)	(7,565)
(9,613)	Materials, contracts & other expenses	(13,241)	(12,482)	(13,275)
(258)	Interest Payments	(406)	(371)	(384)
1,293	Net Cash Flows from Operating Activities	2,319	2,716	2,865
	Cash Flows from Investing Activities			
	Receipts			
86	Sale of Replaced Assets	200	100	50
	Payments			
(2,305)	Expenditure on Renewal/Replaced Assets	(2,223)	(2,231)	(2,115)
(244)	Expenditure of New/Upgraded Assets	(2,597)	(2,597)	(40)
(2,463)	Net Cash Flows from Investing Activities	(4,620)	(4,728)	(2,105)
	Cash Flow from Financing Activities			
	Receipts			
2,031	Proceeds from Borrowings	4,525	4,525	2,000
	Payments			
(237)	Repayment of Lease Liabilities	(263)	(263)	(285)
(1,791)	Repayment of Borrowings	(1,896)	(1,896)	(1,944)
3	Net Cash Flow from Financing Activities	2,366	2,366	(229)
(1,167)	Net Increase (Decrease) in cash held	65	354	531
3,168	Cash & cash equivalents at beginning of period	1,991	2,001	2,355
2,001	Cash & cash equivalents at end of period	2,056	2,355	2,886

EAST WASTE

Projected Statement of Changes in Equity (Budgeted)
for the Financial Year Ending 30 June 2024

FY2022		FY2023	FY2023	FY2024
Audited		Adopted	BR2	Proposed
Actuals		Budget		Budget
\$		\$'000	\$'000	\$'000
1,219	Balance at Start of Period - 1 July	809	850	1,275
(369)	Net Surplus / (Deficit) for Year	155	425	166
-	Contributed Equity	-	-	-
-	Distribution to Councils	-	-	-
850	Balance at End of Period - 30 June	964	1,275	1,441

EAST WASTE				
Projected Uniform Presentation of Finances (Budgeted)				
for the Financial Year Ending 30 June 2024				
FY2022		FY2023	FY2023	FY2024
Audited Actuals		Adopted Budget	BR2	Proposed Budget
\$'000		\$'000	\$'000	\$'000
17,602	Income	23,112	22,698	24,139
(17,978)	Expenses	(23,157)	(22,373)	(23,991)
(376)	Operating Surplus / (Deficit)	(45)	325	148
Net Outlays on Existing Assets				
(2,305)	Capital Expenditure on Renewal and Replacement of Existing Assets	(2,223)	(2,231)	(2,115)
2,043	Depreciation, Amortisation and Impairment	2,346	2,346	2,657
86	Proceeds from Sale of Replaced Assets	200	100	50
(176)		323	215	592
Net Outlays on New and Upgraded Assets				
(244)	Capital Expenditure on New and Upgraded Assets	(2,597)	(2,597)	(40)
-	Amounts Specifically for New and Upgraded Assets	-	-	-
-	Proceeds from Sale of Surplus Assets	-	-	-
(244)		(2,597)	(2,597)	(40)
(796)	Net Lending / (Borrowing) for Financial Year	(2,319)	(2,057)	700

11.6 Highbury Landfill Authority Draft 2023-2024 Budget

REPORT AUTHOR: General Manager, Governance & Civic Affairs
GENERAL MANAGER: Chief Executive Officer
CONTACT NUMBER: 8366 4549
FILE REFERENCE: fA22034
ATTACHMENTS: A

PURPOSE OF REPORT

The purpose of this report is to present to the Council the Draft 2023-2024 Highbury Landfill Budget for endorsement.

BACKGROUND

The Highbury Landfill Authority (the Authority) is a Regional Subsidiary established pursuant to Section 43 of the *Local Government Act 1999*, for the purpose of facilitating the closure and post closure management of the former Highbury Landfill site. The City of Norwood Payneham & St Peters, together with the City of Burnside and the Town of Walkerville make up the Constituent Councils of the Authority.

The Highbury Landfill was previously used by East Waste. At the time, the East Waste Constituent Councils were the City of Norwood Payneham & St Peters, City of Burnside and the Town of Walkerville.

As such these Councils have continued ownership of the landfill and established the Highbury Landfill Authority to manage the closure on behalf of the Constituent Councils.

Pursuant to Clause 4.5 of the Authority's Charter (the Charter), the Authority must prepare an Annual Budget.

Pursuant to Schedule 2 Clause 25 (3) of the *Local Government Act 1999* a subsidiary, may with the approval of the Constituent Councils, amend its adopted budget at any time prior to the completion of the financial year.

The Draft Budget must be adopted by the Authority's Board by 30 June of each year.

RELEVANT STRATEGIC DIRECTIONS & POLICIES

Not Applicable.

FINANCIAL AND BUDGET IMPLICATIONS

The financial implications for the Council associated with the Draft Budget relate to the cash which is required to fund the required post-closure works and management of the former landfill and the recognition of the Authority's Operating Result within the Council's Statement of Comprehensive Income.

Based on the Authority's projected expenditure for 2023-2024, this Council's contribution will be \$80,714, which includes monitoring and site maintenance costs.

Upon approval by the Council and adoption by the Authority's Board, the Council's Draft 2023-2024 Budget will be updated accordingly.

EXTERNAL ECONOMIC IMPLICATIONS

Not Applicable.

SOCIAL ISSUES

Not Applicable.

CULTURAL ISSUES

Not Applicable.

ENVIRONMENTAL ISSUES

Not Applicable.

RESOURCE ISSUES

Not Applicable.

RISK MANAGEMENT

As an owner, the Council is responsible to meet the liabilities of the Authority, should the Authority not be in a position to meet those liabilities. The extent of the Council's exposure is however limited to its ownership share, which is currently 40.4%.

CONSULTATION

- **Elected Members**
Cr Piggott is this Council's appointee on the Highbury Landfill Authority Board.
- **Community**
Not Applicable.
- **Staff**
Not Applicable.
- **Other Agencies**
Not Applicable.

DISCUSSION

The Authority is required to oversee the management of the landfill until a steady state of conditions in respect to the gas emissions is maintained.

The Authority's Draft Budget includes expenditure items associated with the post-closure requirements which include:

- monthly monitoring of landfill gas and annual monitoring of ground water across the landfill site;
- site maintenance, which includes ongoing maintenance for fire control, fencing and access track maintenance; and
- administration costs such as insurance, utilities, Council rates and general administration of the Authority.

The Authority is required to oversee the management of the landfill until a steady state of conditions in respect to the gas emissions is maintained, which could be more than 25 years. The Authority is thirteen (13) years into the post-closure period.

The Post-Closure Provision, relates to anticipated future liabilities to manage the post closure of the landfill. The Authority requires a Capital Contribution of \$200,000 from the Constituent Councils to fund the Post-Closure Provision expenditure, which includes monitoring and site maintenance costs.

A copy of the Draft 2023-2024 Budget is contained in **Attachment A**.

OPTIONS

The Council can choose to endorse or not to endorse the Authority's Draft 2023-2024 Budget. There are no specific issues or activities which present a financial or risk management issue for this Council, and as such it is recommended that the Council endorse the Authority's Draft 2023-2024 Budget.

CONCLUSION

Nil

COMMENTS

Nil

RECOMMENDATION

That the Highbury Landfill Authority be advised that pursuant to Clause 4.5 of the Charter, the Council has considered and hereby approves the Authority's Draft 2023-2024 Budget.

Attachments – Item 11.6

Attachment A

Highbury Landfill Authority Draft 2023-2024 Budget

City of Norwood Payneham & St Peters
175 The Parade, Norwood SA 5067

Telephone 8366 4555
Facsimile 8332 6338
Email townhall@npsp.sa.gov.au
Website www.npsp.sa.gov.au



City of
**Norwood
Payneham
& St Peters**

HIGHBURY LANDFILL AUTHORITY

Member Councils: • City of Burnside • City of Norwood, Payneham & St Peters • Corporation of the Town of Walkerville

Memorandum

To: CEOs of HLA Member Councils
Chris Cowley
Mario Barone
Scott Reardon

CC: Board and Audit Committee of HLA
Cr Grant Piggott
James Kelly
Corinne Garrett

From: Trevor Hockley, Executive Officer

Date: 30 March 2023

RE: Draft Budget 2023/ 2024

The Board of HLA has reviewed the draft Budget 2023/2024 and agreed to refer it to Member Councils for their approval pursuant to Clause 4.5 of the HLA Charter.

Member Councils are required to approve the draft Budget prior to the Board formally adopting the Budget by the 30th of June 2023. The draft Budget is attached at Appendix 1 and for your information I provide a brief outline of the expenditure included in the budget and annual plan.

The Highbury Landfill

The Highbury landfill is into its 13th year of a 25-year post closure period and continues to be managed in accordance with the approved risk management plan formulated as part of an approved closure plan by the SA EPA. The landfill gas continues to degrade in quality and quantity which has presented a challenge on how to continue to collect and flare this gas. To address this challenge the budget has been framed to accommodate a new three-year gas collection and management contract with Ennovo. Also, capital expenditure of an estimated \$100,000 to replace the chimney on the existing flare is included with this budget. This modification will allow decreased volumes of gas to be successfully flared for much longer than the existing flare. The gas collection system is also starting to show signs of wear and tear requiring some remedial work in the order of \$30,000 mainly to replace and repair valves and connections across the Landfill.

Normal site maintenance such as fire control, grass cutting, noxious weed spraying maintenance of the security system and access tracks, fences etc is also included in the budget.

HIGHBURY LANDFILL AUTHORITY

Member Councils: • City of Burnside • City of Norwood, Payneham & St Peters • Corporation of the Town of Walkerville

Provision

The 25 year forward projections that make up the calculation for the provision in the Balance Sheet for HLA is provided with the draft Budget. The provision for the 23/24 financial year has been calculated with the same assumptions as the provision calculation spreadsheet used for the 22/23 Financial Statements. These financial assumptions will be reviewed at the end of this financial year and interest rates and inflation projections will change which may have a material impact on the NPV calculation.

The audit committee of HLA has recommended that the assumptions around managing the landfill for the remainder of the 25-year period contained in the provision spreadsheet should be independently reviewed every three years and this work was undertaken at the end of the 21 financial year and will again be done in the preparation of the 23/24 financial statements.

Member Councils currently fund that provision each year in their equity proportions and based on the projected expenditure for 2023/24 and the projected bank balance of HLA the contributions are as follows:

Burnside:	\$100,812
Norwood, Payneham & St Peters	\$80,714
Walkerville	\$18,474

To allow Member Councils the opportunity to better manage their cash flow in the coming financial year these contributions will be invoiced in 4 instalments during the financial year.

Additional Expenditure allowed for in the Budget

Environmental Monitoring

The Highbury Landfill continues to monitor landfill gas over the site.

Management and Administration

The existing management and administration model is maintained. Costs such as insurance, Council rates, SA Water, Power etc. are also budgeted.

Should you require any further information then do not hesitate to contact the undersigned. I look forward to your Council approving the draft Budget prior to the next scheduled meeting of HLA on the 29th June 2023, so that the Board can formally adopt the budget in accordance with the Charter.

Regards,

Trevor Hockley
Executive Officer

UNIFORM PRESENTATION OF FINANCE JULY - SEPTEMBER 2022

	July - September 2022	Projected June 2023	Budget 2023	Variance	Comments	Budget 2024
	\$	\$	\$	\$		\$
OPERATING ACTIVITIES:						
Operating Income	-	20,050	20,050	-		20,050
less Operating Expenses	111,467	266,366	7,088	259,278		84,968
Operating Surplus / (Deficit)	- 111,467	- 246,316	12,962	259,278		105,018
CAPITAL ACTIVITIES:						
Net Outlay on Existing Assets						
Capital Expenditure on renewal & replacement of Existing Assets						
less Depreciation, Amortisation & Impairment	12,609	25,218	25,218	-		25,218
less Proceeds from Sale of Replaced Assets						
Net Outlay on Existing Assets	12,609	25,218	25,218	-		25,218
Net Outlay on New & Upgraded Assets						
Capital Expenditure on New & Upgraded Assets	-	-	-	-		120,000
less Amounts received specifically for New & Upgraded Assets	-	-	-	-		-
less Proceeds from Sale of Surplus Assets	-	-	-	-		-
Net Outlay on New & Upgraded Assets	-	-	-	-		120,000
Net Lending / (Borrowing)	- 124,076	- 271,534	12,256	259,278		40,200

INCOME STATEMENT BUDGET REVIEW JULY - DECEMBER 2022

	July - December 2022	Projected June 2023	Budget 2023	Variance	Comments	Budget 2024
	\$	\$	\$	\$		\$
INCOME						
Sundry Income	-	20,000	20,000	-		20,000
LGFA Bonus Received						
Interest Received	-	50	50	-		50
Total Revenues	-	20,050	20,050	-		20,050
EXPENSES						
Depreciation	12,609	25,218	25,218	-		25,218
Movement in Provision	98,858	241,148	18,130	259,278	Movements to the provision are recorded at year-end only. The movement as at 31.12.22 accounts for expenditure to date with no provision adjustment made.	110,186
Total Expenses	111,467	266,366	7,088	259,278		(84,968)
NET SURPLUS/(DEFICIT)	(111,467)	(246,316)	12,962	(259,278)		105,018

FY 2023 provision was calculated using a "projected closing FY2022 provision" as the opening figure and adjusted for budgeted expenditure using the RBA rates available at the time.

The projected FY2023 provision is calculated with RBA rates remaining unchanged as at 30.06.2022.

STATEMENT OF CHANGES IN EQUITY BUDGET REVIEW JULY - DECEMBER 2022						
	July - December 2022	Projected June 2023	Variance	Comments	Budget 2023	Budget 2024
	\$	\$	\$			
ACCUMULATED SURPLUS						
Balance at beginning of the year	(2,238,470)	(2,238,470)	-	Budget 2023 is based on the projected closing balance 2022	(2,532,384)	(2,284,786)
Change in financial position resulting from operations	(111,467)	(246,316)	134,849		12,962	105,018
Funds from Member Councils	59,643	200,000	(140,357)		200,000	200,000
TOTAL EQUITY	(2,290,294)	(2,284,786)	(5,508)		(2,319,421)	(1,979,769)

STATEMENT OF CASH FLOWS BUDGET REVIEW JULY - DECEMBER 2022

-2803

	July - December 2022	Projected June 2023	Budget 2023	Variance	Comments	Budget 2024
	\$	\$	\$	\$		\$
CASH FLOWS FROM OPERATING ACTIVITIES						
<u>Receipts</u>						
Bank Interest & Sundry	21,854	23,000	20,050	2,950	Bank Interest & Suez	20,050
Other Revenue	8,126	15,000	15,000	-	ATO reimbursements	15,000
<u>Payments</u>						
Finance payments	(16,133)	(32,265)	(27,554)			(29,679)
Net Cash provided by (or used in) Operating Activities	13,847	5,735	7,497	(1,762)		5,371
CASH FLOWS FROM INVESTING ACTIVITIES						
Flare - Bio Filter		-				(120,000)
Payments from Provision	(59,049)	(198,799)	(213,820)	15,021		(221,586)
Net Cash paid for Investing Activities	(59,049)	(198,799)	(213,820)	15,021		(341,586)
CASH FLOWS FROM FINANCING ACTIVITIES						
LGFA Loan	-	-				
Funds paid by Member Councils	59,643	110,536	200,000	(89,465)		200,000
Net Cash provided by (or used in) Financing Activities	59,643	110,536	200,000	(89,465)		200,000
Net Increase (Decrease) in cash held	14,441	(82,529)	(6,324)	(76,205)		(136,215)
Cash and cash equivalents at beginning of period	215,568	215,568	135,280	80,288	The opening balance for the Budget 2023 was based on the Projected closing balance FY2022.	133,039
Cash and cash equivalents at end of period	230,009	133,039	128,957	4,082		(3,176)
Total Cash and cash equivalents at end of period	230,009	133,039	128,957	4,082		(3,176)

BALANCE SHEET BUDGET REVIEW JULY - DECEMBER 2022

	July - December 2022	Projected June 2023	Budget 2023	Variance	Comments	Budget 2024
	\$	\$		\$		
ASSETS						
Current Assets						
Cash and Cash Equivalents	166,676	133,039	128,957	4,082		- 3,176
Trade and Other Receivables	4,354	5,000	5,000	-		5,000
Total Current Assets	171,031	138,039	133,957	4,082		1,824
Non-Current Assets						
Monitoring Stations & Flare	98,468	80,314	80,314	-		151,096
Total Non-Current Assets	98,468	80,314	80,314	-		151,096
Total Assets	269,499	218,353	214,271	4,082		152,920
LIABILITIES						
Current Liabilities						
Trade and other payables	53,121	15,000	15,000	-		15,000
LGFA Loan	13,905	28,596	28,596	-		29,679
Provision for Closure Costs	204,952	341,854	258,348	83,506	Provision as at 31.12.22 is kept inline with financial statement 30.06.22 as no adjustment is made until year end.	213,537
Total Current Liabilities	271,977	385,451	301,945	83,506		258,216
Non-Current Liabilities						
LGFA Loan	104,913	76,317	76,317	-		46,638
Provision for Closure Costs	2,142,546	2,041,372	2,155,431	(114,059)		1,827,835
Total Non-Current Liabilities	2,247,459	2,117,689	2,231,748	(114,059)		1,874,473
Total Liabilities	2,519,436	2,503,140	2,533,692	(30,553)		2,132,689
NET ASSETS	(2,249,937)	(2,284,787)	(2,319,422)	34,635		(1,979,769)
EQUITY						
Accumulated surplus	(2,249,937)	(2,284,786)	(2,319,421)	34,635		(1,979,769)
Total Equity	(2,249,937)	(2,284,786)	(2,319,421)	34,635		(1,979,769)

**Section 3 – Governance & General
Reports**

11.7 BUSINESS & ECONOMIC DEVELOPMENT ADVISORY COMMITTEE – 2023 SCHEDULE OF MEETINGS

REPORT AUTHOR: General Manager, Governance & Civic Affairs
GENERAL MANAGER: Chief Executive Officer
CONTACT NUMBER: 8366 4549
FILE REFERENCE: qA109047
ATTACHMENTS: A

PURPOSE OF REPORT

The purpose of this report is to advise the Council of the Business & Economic Development Advisory Committee's 2023 Schedule of Meetings and to seek the Council's adoption of the 2023 Schedule of Meetings.

BACKGROUND

At its meeting held on 4 April 2023, the Business & Economic Development Advisory Committee (the Committee), considered the proposed Schedule of Meetings for 2023.

In respect to meetings of the Committee, the Committee's Terms of Reference state that:

- 7.2 *The Committee shall meet a minimum of four (4) times in every calendar year on dates to be set out in advance for each year or as determined by the Chief Executive Officer, at the Council's Principal Office, the Norwood Town Hall, 175 The Parade, Norwood or as determined by the Chief Executive Officer and in accordance with the responsibilities imposed upon them within these Terms of Reference.*

Following consideration of the matter, the Committee resolved the following:

That the Business & Economic Development Advisory Committee's Schedule of Meetings for 2023 as set out below, be approved.

BUSINESS & ECONOMIC DEVELOPMENT ADVISORY COMMITTEE SCHEDULE OF MEETINGS 2023

<i>Meeting</i>	<i>Date</i>	<i>Start Time</i>
2	Tuesday, 13 June 2023	6.15pm
3	Tuesday, 12 September 2023	6.15pm
4	Tuesday, 28 November 2023	6.15pm

A copy of the Minutes of the Business & Economic Development Advisory Committee Meeting held on Tuesday, 4 April 2023 are contained within **Attachment A**.

The second meeting of the Committee as set out above is scheduled for Tuesday, 13 June 2023, however this meeting coincides with the Special Council Meeting scheduled for the purpose of considering the Public Submissions on the Annual Business Plan.

As the meeting of the Committee scheduled for Tuesday, 13 June 2023, is required to be rescheduled, the Council should not be adopting the recommendation of the Committee in respect to this matter.

RELEVANT POLICIES & STRATEGIC DIRECTIONS

Not Applicable.

FINANCIAL IMPLICATIONS

Not Applicable.

DISCUSSION

It is the usual practise of the Council to adopt the Minutes of Committee Meetings at Item 12 of the Council Meeting Agenda. However, on the basis that the resolution of the Committee regarding the 2023 cannot be adopted as recommended to the Council, it is recommended that the Council resolve the following to address this matter:

That the Business & Economic Development Advisory Committee's Schedule of Meetings for 2023 as set out below, be approved.

BUSINESS & ECONOMIC DEVELOPMENT ADVISORY COMMITTEE SCHEDULE OF MEETINGS 2023

<i>Meeting</i>	<i>Date</i>	<i>Start Time</i>
<i>2</i>	<i>Tuesday, 4 July 2023</i>	<i>6.15pm</i>
<i>3</i>	<i>Tuesday, 12 September 2023</i>	<i>6.15pm</i>
<i>4</i>	<i>Tuesday, 28 November 2023</i>	<i>6.15pm</i>

OPTIONS

There are no options available to the Council in respect to this matter, as the meeting of the Committee is required to be rescheduled to ensure the Special Council Meeting to be held on Tuesday, 13 June 2023 can proceed.

RECOMMENDATION

That the minutes of the meeting of the Business & Economic Development Advisory Committee held on 4 April 2023, as contained within Attachment A, be received and that the resolutions set out therein as recommendations to the Council are adopted as decisions of the Council with the exception of the following:

Item 5.3:

That the Business & Economic Development Advisory Committee's Schedule of Meetings for 2023 as set out below, be approved.

BUSINESS & ECONOMIC DEVELOPMENT ADVISORY COMMITTEE SCHEDULE OF MEETINGS 2023

<i>Meeting</i>	<i>Date</i>	<i>Start Time</i>
<i>2</i>	<i>Tuesday, 13 June 2023</i>	<i>6.15pm</i>
<i>3</i>	<i>Tuesday, 12 September 2023</i>	<i>6.15pm</i>
<i>4</i>	<i>Tuesday, 28 November 2023</i>	<i>6.15pm</i>

which is to be replaced with the following:

That the Business & Economic Development Advisory Committee's Schedule of Meetings for 2023 as set out below, be approved.

BUSINESS & ECONOMIC DEVELOPMENT ADVISORY COMMITTEE SCHEDULE OF MEETINGS 2023

<i>Meeting</i>	<i>Date</i>	<i>Start Time</i>
<i>2</i>	<i>Tuesday, 4 July 2023</i>	<i>6.15pm</i>
<i>3</i>	<i>Tuesday, 12 September 2023</i>	<i>6.15pm</i>
<i>4</i>	<i>Tuesday, 28 November 2023</i>	<i>6.15pm</i>

Attachments – Item 11.7

Attachment A

Business & Economic Development Advisory Committee 2023 Schedule of Meetings

City of Norwood Payneham & St Peters
175 The Parade, Norwood SA 5067

Telephone 8366 4555
Facsimile 8332 6338
Email townhall@npsp.sa.gov.au
Website www.npsp.sa.gov.au



City of
**Norwood
Payneham
& St Peters**

Business & Economic Development Advisory Committee

Minutes

4 April 2023

Our Vision

*A City which values its heritage, cultural diversity,
sense of place and natural environment.*

*A progressive City which is prosperous, sustainable
and socially cohesive, with a strong community spirit.*

City of Norwood Payneham & St Peters
175 The Parade, Norwood SA 5067

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City of
Norwood
Payneham
& St Peters

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VENUE Mayors Parlour, Norwood Town Hall

HOUR 6.15pm

PRESENT

Committee Members Mayor Robert Bria (Presiding Member)
 Cr Grant Piggott
 Cr Victoria McFarlane
 Cr John Callisto
 Ms Amanda Grocock
 Ms Amanda Pepe
 Mr Ben Pudney
 Ms Rebecca Thomas
 Ms Trish Hansen

Staff Keke Michalos (Manager, Economic Development & Strategy)
 Tyson McLean (Economic Development Officer)

APOLOGIES Mr Joshua Baldwin, Mr Matt Grant

ABSENT Nil

TERMS OF REFERENCE:

The Business & Economic Development Committee is established to fulfil the following functions:

- *To provide high-level independent expert advice to the Council on economic development matters and employment growth opportunities in the City of Norwood Payneham & St Peters and to have oversight of the continued implementation of the Council's Economic Development Strategy.*
- *To identify issues, opportunities, and initiatives which impact on business and economic development in the City of Norwood Payneham & St Peters.*
- *To provide advice to the Council and recommend actions, including the conduct of studies associated with business and economic development, as required, in order to facilitate the identification of opportunities, issues, strategies and actions.*
- *To assist the Council to facilitate and promote economic growth and development in the City of Norwood Payneham & St Peters.*
- *To provide advice to the Council as required, to facilitate the creation of business networks (both within South Australia and Australia), which provide benefits for the City of Norwood Payneham & St Peters and the business sector.*
- *To provide strategic direction and leadership to ensure that members of the business community are able to participate in the development and implementation of the City's business and economic development outcomes.*
- *Conduct forums to identify and articulate relevant information in respect to services and activities in the City of Norwood Payneham & St Peters that contribute to the City's economic growth.*
- *Advocate and work actively with State and Federal Governments and their agencies, the private sector and relevant peak bodies on key economic priorities which deliver positive outcomes for the City and the community.*
- *Consider and advise the Council on medium and long term matters relevant to business and economic development within the City of Norwood Payneham & St Peters.*

1. PRESENTATION – KELLEDY JONES LAWYERS

Michael Kelliedy of Kelliedy Jones Lawyers will make a presentation to the Committee regarding the role of the Committee and the *Local Government (Procedures at Meetings) Regulation 2013*.

2. STAFF PRESENTATION

The Manager, Economic Development & Strategy and the Economic Development Officer presented an overview of Economic Development within the City of Norwood Payneham & St Peters.

3. CONFIRMATION OF MINUTES OF THE BUSINESS & ECONOMIC DEVELOPMENT COMMITTEE MEETING HELD ON 14 JUNE 2022

Cr Piggott moved that the minutes of the Business & Economic Development Committee meeting held on 14 June 2022 be taken as read and confirmed. Seconded by Cr Callisto and carried unanimously.

4. PRESIDING MEMBER'S COMMUNICATION

5. STAFF REPORTS

5.1 PROGRESS REPORT ON THE 2021 – 2026 ECONOMIC DEVELOPMENT STRATEGY

REPORT AUTHOR: Economic Development Coordinator
GENERAL MANAGER: Chief Executive Officer
CONTACT NUMBER: 8366 4616
FILE REFERENCE: qA109047
ATTACHMENTS: A – D

PURPOSE OF REPORT

The purpose of this report is to provide the Business & Economic Development Advisory Committee, with a progress report on the implementation of the *2021-2026 Economic Development Strategy*.

BACKGROUND

The *2021-2026 Economic Development Strategy*, is designed to guide economic development within the City, identify the priority areas for the five (5) year period and articulate the Council's role in supporting business and economic development.

The *Draft 2021-2026 Economic Development Strategy* is developed based on research, sector workshops and consultation with the business sector. The results were presented to the Business & Economic Development Committee at its meeting held on 16 June 2020. At that meeting, the Committee endorsed the Draft Strategy as being suitable to present to the Council for its consideration and endorsement to be released for community consultation and engagement.

Subsequently, the *Draft 2021-2026 Economic Development Strategy* was presented to the Council at its meeting held on 6 July 2020. At that meeting, the Council endorsed the *Draft 2021-2026 Economic Development Strategy* as being suitable to release for community consultation and engagement.

Following the conclusion of the consultation period, the results of the consultation and the revised final document, were presented to the Committee at its meeting held on 15 September 2020. At that meeting the Committee resolved to present it to the Council for its endorsement. At its meeting held 6 October 2020, the Council endorsed the *2021-2026 Economic Development Strategy*. A hard copy of the Economic Development Strategy will be distributed to the Business & Economic Development Advisory Committee at the meeting.

This report provides an update on the key Strategies and Actions that have progressed since its last Committee Meeting.

RELEVANT STRATEGIC DIRECTIONS & POLICIES

The *2021-2026 Economic Development Strategy* is the Council's "blueprint" to guide the growth of the City's economy for a five (5) year period. The Strategy sits within the Council's decision-making framework and has been developed to align with other key strategic and policy documents.

The key strategies that have been used to inform, or that will work in conjunction with the *2021-2026 Economic Development Strategy* are listed below:

- *The 30-Year Plan for Greater Adelaide*
- *Norwood, Payneham and St Peters (City) Development Plan*
- *CityPlan 2030: Shaping Our Future – Mid Term Review 2020*
- *Kent Town Economic Growth Strategy 2020 - 2025*
- *Norwood Parade Precinct Annual Business Plan*
- *Smart City Plan*

FINANCIAL AND BUDGET IMPLICATIONS

At its meeting held on 6 June 2022, the Council endorsed the Norwood Parade Precinct Annual Business Plan for the 2022-2023 financial year.

At its meeting held on 4 July 2022, the Council adopted the *Annual Business Plan, Budget and Declaration of Rates for 2022-2023*, which includes the following in respect to The Parade Precinct Separate Rate and the Economic Development Precinct Management budgets.

- a total budget of \$215,000 will be collected through The Parade Precinct Separate Rate for the 2022-2023 financial year; and
- a total budget of \$97,750 has been allocated by the Council to continue to deliver the Economic Development agenda in the 2022-2023 financial year.

In addition, *Raising the Bar Adelaide 2022* and the *Eastside Business Awards 2023*, received separate funding through the 2022-2023 Budget.

The Council's 2022-2023 Economic Development Budget will be used to deliver the remaining actions in Year 2 of the Strategy and commence the delivery of the Year 3 Actions. Some of the Year 2 and Ongoing Actions are set out in the Table contained in **Attachment A**.

EXTERNAL ECONOMIC IMPLICATIONS

The successful delivery of the *2021-2026 Economic Development Strategy* may be impacted by the broader economic environment and worldly events, although Australia's economy has shown resilience to multiple shocks over the past three (3) years. However in recent times the increase in interest rates and the cost of living pressures has started to impact on the local economy. It is anticipated that the real effects on the economy will become more obvious over the coming months.

The Australian Bureau of Statistics (ABS) data released in March 2023 indicated the monthly Consumer Price Index (CPI) increased by 6.1% in twelve (12) months to the end of June, a two-decade high. This came after a significant twelve (12) month increase in the cost of housing (9%), transport (13.1%), food (5.9%) and furniture (6.3%). In addition, fuel costs increased by 32.1 per cent over the twelve (12) months.

For any business, cash flow is the life-blood for success. Rising interest rates continues to affect the cost of doing business, presenting challenges to business's ability to service debt. Economic Development Staff continue to support business owners and operators through face-to-face meetings and by providing them with information to help them navigate through this challenging time.

SOCIAL ISSUES

Economic development impacts on both the business sector and the local community. Whilst the key focus of this Strategy is on the business sector, the two (2) are intrinsically linked and the prosperity of the local economy relies on creating a holistic environment where people want to invest, work, do business, live, shop and socialise.

CULTURAL ISSUES

The City is a culturally rich and diverse place, with a strong identity, history and sense of place. Cultural and creative activity is increasingly recognised as important components of economic growth. Economic growth and sustainability through employment, vibrancy and growth are all important factors in achieving cultural vitality.

RISK MANAGEMENT

In establishing the Strategic Framework for the *2021-2026 Economic Development Strategy*, the Council took into account the economic and demographic profile of the City, the views of the business community and partners and the key influences and trends that have, and will, impact on the City's economy. In doing so, the Council has ensured that the Strategy appropriately addresses the wide range of opportunities and challenges facing businesses and economic growth in the City. The Council will continue to work with the business community to ensure that the Strategies and Actions remain relevant and beneficial.

ENVIRONMENTAL ISSUES

A vital component in meeting the aspirations of current and future businesses located in the City of Norwood Payneham & St Peters, is ensuring that issues relating to environmental sustainability are considered together with economic sustainability. A sustainable environment impacts on business investment decisions and is a key asset in the success of local businesses. The Council will continue to promote programs aligned with environmental actions, as well as look to introduce initiatives with a sustainable focus that encourage and promote a circular economy.

RESOURCE ISSUES

The *2021-2026 Economic Development Strategy* has been prepared by the Council Staff, however it will require additional support, from both internal and external resources to ensure its timely implementation. The Economic Development Staff continues to work with Staff across the organisation to deliver the Actions in the Strategy.

DISCUSSION

The implementation of the *2021-2026 Economic Development Strategy* commenced in January 2021 and to ensure that it is delivered in a timely manner, Council staff have developed a reporting structure that will be presented to the Business & Economic Development Advisory Committee at each of its meetings, for the purpose of tracking the progress of the Strategy's implementation and to provide direction and guide the staff in its implementation.

The table contained in **Attachment A**, outlines progress on the Actions under each of the four (4) key themes that are currently being delivered in Year 3 of the Strategy or are 'Ongoing' Actions for the duration of the five (5) year Strategy. It should be noted that only the Actions that have commenced or progressed since the last Committee meeting have been included.

The Table whilst detailed, should be read in conjunction with the *2021-2026 Economic Development Strategy* to obtain a better understanding of the individual Action and the Objective that the Council is proposing to achieve.

CONCLUSION

The *2021-2026 Economic Development Strategy* recognises the leadership role of the Council in setting a clear direction for economic development within the City and in supporting the business sector. Developing the Strategy with clear direction and focus provides the foundation for the Council to implement successful actions and initiatives and establish partnerships with different stakeholders (i.e. Federal and State Governments, developers, businesses and residents) in order to ensure the successful longevity of the City's business and economic sector.

RECOMMENDATION

That the report be received and noted.

Ms Rebecca Thomas moved:

That the report be received and noted.

Seconded by Ms Amanda Pepe and carried unanimously.

5.2 ACTIVITY PRECINCTS OCCUPANCY REPORT 2022

REPORT AUTHOR: Economic Development Officer
GENERAL MANAGER: Chief Executive Officer
CONTACT NUMBER: 8366 4512
FILE REFERENCE: qA109047
ATTACHMENTS: A - B

PURPOSE OF REPORT

The purpose of this report is to present the *Activity Precincts Occupancy Report 2022*, to the Business & Economic Development Advisory Committee, for its consideration and endorsement.

BACKGROUND

The Council commenced monitoring the occupancy and vacancy rates within The Parade Precinct in 2020, following the release of the *Adelaide Retail High Street Overview*, a bi-annual report produced by JLL Australia, which analyses the vacancy rates of Adelaide's major high street precincts, including The Parade, Norwood. A copy of the most recent edition of the *Adelaide Retail High Street Overview* is contained in **Attachment A**.

Following the release of the JLL report, staff noticed some discrepancies in the methodology (ie scope of tenancies measured) and parameters which are used to assess the vacancy rates within these mainstreet precincts and in particular, The Parade, Norwood. As a result, an annual assessment of The Parade Precinct's occupancy levels is now undertaken by Council staff. The results of both the JLL Australia report and the staff analysis are presented annually to both the *Business & Economic Development Advisory Committee* and the *Norwood Parade Precinct Committee*, to determine how The Parade is performing and how it compares to other mainstreets in the Metropolitan Adelaide region.

In recognition that occupancy levels provide a strong measure of how a mainstreet is performing and provide an indication of the likely demand on the rental market, it was decided that a similar assessment should also be undertaken for Magill Road. This would allow a better understanding of the overall health of the Precinct, as well as creating a complete database of businesses that exist, therefore enabling more targeted marketing and promotion. The analysis also enables trends to be identified and assumptions to be made, and if and when necessary, actions to be taken.

To assist with presenting and displaying all of the data that continues to be collected for both The Parade and Magill Road, the *Activity Precincts Occupancy Report 2022*, has been created and a copy is contained within **Attachment B**.

Over time, more of the key precincts within the City of Norwood Payneham & St Peters will be included in the initiative monitored to assist with creating an accurate picture of the business community across the City. The intent is that the next iteration of the *Activity Precincts Occupancy Report*, will also contain data for the Kent Town Precinct.

DISCUSSION

The *Activity Precincts Occupancy Report 2022* contains the data for The Parade and Magill Road precincts, as well as high level information on what elements contribute to creating successful precincts and mainstreets. This report is designed in a way which will not only allow data for other key precincts to be included, which will result in a more comprehensive report over time, but the individual precinct data can be easily extracted as standalone documents.

Overview

For the purpose of this report, occupancy levels are defined as a percentage of all available commercial properties (residential properties are not included) that are currently being actively utilised by a business. Generally, the occupancy level measures the health of the local property market by representing the level of activity and demand for property.

It should also be noted that in undertaking these assessments, Council staff made the following assumptions:

- tenancies classified as being vacant are those that:
 - have signage indicating that the premises or part of the premises was for lease;
 - tenancies that have a 'Leased' sign and were still vacant and the Council was not aware of a new business preparing to occupy the space; and
 - tenancies that did not have signage but were empty and the Council was not yet aware of any new business preparing to occupy the space.

The Parade

The assessment which has been undertaken by Council staff was conducted on Tuesday, 13 September 2022 and encompasses the entire Parade Precinct, which extends from Fullarton Road to Portrush Road. It should be noted that the details from the assessment are correct as at that date (i.e. 13 September 2022) and any changes that have occurred within the Precinct since that date, are not included.

The research found the following:

- there is currently a total of 373 tenancies within The Parade Precinct;
- 345 tenancies were occupied by a business;
- there were twenty-eight (28) vacant tenancies (9 more than at the same time in 2021) within The Parade Precinct, which equates to an occupancy level of 92.5% (down from 94.84% in 2021);
- eleven (11) vacant tenancies are located on the northern side of The Parade (same as 2021) and the northern side has an occupancy level of 94.4% (184 out of 195 tenancies); and
- seventeen (17) vacant tenancies are located on the southern side of The Parade (9 more than at the same time in 2021) and the southern side has an occupancy level of 90.4% (161 out of 178 tenancies).

In an attempt to build on the data that is collected, staff have also commenced monitoring the tenancy mix within The Parade Precinct, as it is important to understand the diversity of businesses, as well as any trends that are becoming apparent. Too many of a particular type of business can impact on The Precinct's attractiveness as a destination or function as a day and night mainstreet. In contrast, the establishment of some types of business clusters, can also create competition, which is a positive outcome for visitors. **Table 1** below, showcases the tenancy mix within the Precinct:

TABLE 1: TENANCY MIX OF THE PARADE PRECINCT – 2022

Sector	Number	Percentage (%)
Retail	101	29.3%
Dining & Entertainment	70	20.3%
Professional	65	18.8%
Medical, Health & Wellbeing	55	16.2%
Hair/Beauty	35	10.1%
Training/Employment	9	2.6%
Community	5	1.4%
N/A (i.e. Leased signage but no business yet)	5	1.4%

Table 2 below, segregates the 'Retail' and 'Professional' sectors into sub-sectors to enable a better understanding. Retail is segregated into 'Product', which is inclusive of businesses that specialise in homewares, furniture, grocery stores, toys etc and 'Clothing'. The Professional sector is segregated into three (3) categories 'Technical' which includes, architects, graphic design, IT, marketing agencies etc, 'Financial', which includes accountants, banks, brokers etc, and 'Real Estate'.

TABLE 2: RETAIL AND PROFESSIONAL SECTOR BREAKDOWN

Sector Breakdown	Number	Percentage (%)
Retail – Product	66	65.3%
Retail – Clothing	35	34.7%
Professional – Technical	35	53.8%
Professional – Financial	24	36.9%
Professional – Real Estate	6	9.2%

As illustrated by the data contained in **Table 2**, The Parade has a great diversity in its tenancy mix and whilst 'Retail' is the dominant sector, when it is broken down further, there is a good spread between 'Retail – Product' and 'Retail – Clothing'. Given that this is the first-time that the tenancy mix has been measured and assessed in detail, an analysis of the trends has not been possible. However, it will be interesting to monitor how this may potentially change over the next twelve (12) months and beyond, particularly given the increase in interest rates and the general perception that the Precinct is increasing its offering in the areas of 'Dining & Entertainment' and 'Hair/Beauty', which reflect the highest and best use (i.e. higher rents) at this point in time. The more data that is collected over time, the better the analysis that can be made, which will help to identify what level of intervention could potentially be implemented by the Council to sustain the Precinct.

There are many contributing factors associated with why The Parade has been able to sustain its vitality and vibrancy over the many years, unlike many of the other main streets across Australia, which have seen a decline, or at the very least, fluctuations in their vacancy rates over time. Of all the contributing factors, the diversity of The Parade's offering is probably the single most important factor. It is therefore critical that the balance between the various uses be retained/sustained.

The changes experienced within the Precinct, include the introduction of a number of new businesses, as well as a number of relocated businesses. The new and relocated businesses to date, have contributed to the strong business mix within the Precinct, adding to the resilience of The Parade Precinct. In total, there were twenty-two (22) new or relocated business within the Precinct and twenty-three (23) businesses that have left the Precinct. This results in an annual turnover rate of 13% (in comparison to 14% in 2021). The turnover rate is determined by adding the number of new businesses and vacant tenancies and dividing this by the total number tenancies to create a percentage.

One of the key changes from the previous assessments, is that the southern side of the Precinct now has more vacant tenancies, with an occupancy level of 90.4%, in comparison to the northern side, which currently has an occupancy level of 94.4%. This is largely due to the change in the tenancies located between Osmond Terrace and Church Avenue, which have been vacated as a result of the new development which has been approved for this site. There are seven (7) vacant tenancies within this section of the Precinct. These vacancies, together with the vacancies at the former Beaurepaires/Tell Henry site and at the former Cono and Soal Sister sites, have resulted in a significant change to the appearance of the southern side of The Parade.

On the northern side, the property at 231 The Parade has recently been listed for sale and as a result has lost its three (3) previous tenants (Di Nino, Properte and Nicholls Gervasi Lawyers). The remainder of vacant tenancies on the northern side of the Precinct are scattered, with no obvious concentration in any particular section of The Parade.

The next assessment, which is scheduled to be undertaken in late 2023, will include all of the new tenancies that will form part of the COMO development. Discussions with the developer have indicated that the majority of these tenancies have been filled.

A more in-depth analysis of the spread of vacant tenancies can be achieved through segregating the Precinct into three (3) sections. The results are as follow:

- The Parade between Fullarton Road and Osmond Terrace = 91.3% (116 out of 127)
- The Parade between Osmond Terrace and George Street = 93.5% (130 out of 139)
- The Parade between George Street and Portrush Road = 92.5% (99 out of 107)

Magill Road

The assessment undertaken by Council Staff encompasses the entire length of Magill Road that falls within the City of Norwood Payneham & St Peters, which extends from Fullarton Road to Portrush Road (both the northern and southern sides), and from Portrush Road to Glynburn Road (northern side only as the southern side falls within the City of Burnside). The assessment undertaken by Council Staff was conducted on Friday, 28 October 2022 and all of the details from the assessment are correct as of that date.

The assessment conducted by Council Staff found the following:

- there is a total of 215 tenancies (excluding residential) within the Magill Road Precinct;
- 202 tenancies were occupied by a business;
- there were thirteen (13) vacant tenancies, resulting in an occupancy level of 94% (down from 95.3% earlier in the year);
- eleven (11) vacancies are located on the northern side of Magill Road (up from 9), however this is to be expected given the extended length of the Precinct on the northern side;
- the northern side has an occupancy level of 92.1% (down from 93.6%);
- two (2) vacancies are located on the southern side of Magill Road;
- the southern side has an occupancy level of 97.3% (down from 98.6%);
- Magill Road, between Fullarton Road and Osmond Terrace has an occupancy level of 93.8% (down from 95.2%);
- Magill Road, between Osmond Terrace and Portrush Road has an occupancy level of 93.7% (down from 97.5%); and
- Magill Road, between Portrush Road and Glynburn Road (north side only) has an occupancy level of 94.4% (up from 93%).

Tenancy mix is another feature that Council staff have commenced monitoring within the Magill Road Precinct and is important in understanding the diversity of businesses, as well as any trends that are becoming apparent. Similar to The Parade, too many of a particular type of business can impact on the Precinct as a destination, but can also ensure competition is resulting in positive outcomes for visitors. **Table 3** below, showcases the tenancy mix within the Precinct:

TABLE 3: Tenancy Mix of the Magill Road Precinct – 2023

Sector	Number	Percentage (%)
Retail	79	39.1%
Medical, Health & Wellbeing	33	16.3%
Dining & Entertainment	32	15.8%
Professional	31	15.3%
Hair/Beauty	23	11.4%
Community	3	1.5%
Training/Employment	1	0.5%

Table 4 below, segregates the 'Retail' and 'Professional' sectors into sub-sectors to enable a deeper understanding of these high-level sectors. Retail is segregated into 'Product' which is inclusive of businesses that specialise in homewares, furniture, grocery stores, toys etc and 'Clothing'. The Professional sector is segregated into 'Technical' which includes, architects, graphic design, IT, marketing agencies etc, 'Financial' includes accountants, banks, brokers etc, and 'Real Estate'.

TABLE 4: Retail and Professional Sector Breakdown

Sector Breakdown	Number	Percentage (%)
Retail – Product	75	94.9%
Retail – Clothing	4	5.1%
Professional – Technical	25	53.8%
Professional – Financial	4	12.9%
Professional – Real Estate	2	6.5%

As can be seen by the data contained in **Table 4**, Magill Road is dominated by 'Retail – Product' businesses, which is very much in alignment with the look and feel of the Precinct and its promotion as a homewares and furniture destination, a key driver for the establishment of the Council's *Eastside Design for Living* publication. Outside of this sector, the Precinct has an extremely diverse mix, which contributes to a well performing and healthy destination precinct.

As more data is collected over time, a greater analysis of trends will occur, allowing for more informed assumptions and decisions to be made. It is also worth noting that it is likely that the 2023 assessment will result in more tenancies coming into the Precinct as a result of the Norwood Green development. Indications from the developer are that all commercial tenancies have been filled.

In respect to turnover within the Precinct, there have been nine (9) known new businesses commence operation along Magill Road since the previous assessment and eight (8) known businesses have left the Precinct since the previous assessment. This results in an annual turnover rate of 11% (in comparison to 9% in 2021). The turnover rate is determined by adding the number of new businesses and vacant tenancies and dividing this by the total number tenancies to create a percentage.

Comparison against other mainstreets in the Metropolitan area

It is also important to compare both The Parade and the Magill Road Precincts against other mainstreets within Metropolitan Adelaide. **Table 5** below, indicates how The Parade and Magill Road Precincts compare against the other mainstreets identified in the JLL Australia report.

TABLE 5: Retail High Streets Occupancy Levels Comparison

Street	Occupancy Rate 3Q21	Occupancy Rate 1Q22	Occupancy Rate 3Q22	Change (3Q21-3Q22)
Prospect Road, Prospect	97%	95.5%	95.9%	-1.1%
Hindley Street, Adelaide	82.7%	84.8%	87.3%	+4.6%
Rundle Street, Adelaide	86.3%	90.5%	92.7%	+6.4%
King William Road, Goodwood	92.1%	92.9%	94.5%	+2.4%
O'Connell Street, North Adelaide	87.5%	88.5%	91.7%	+4.2%
Jetty Road, Glenelg	95.3%	91.2%	90.3%	-5.0%
The Parade, Norwood	93.6%	95.4%	94%	+0.4%
The Parade, Norwood (NPSP)	94.8%*		92.5%**	-2.3%
Magill Road (NPSP)	95.3%*	N/A	94%**	-1.3%

Notes: (NPSP) refers to the data collected by the City of Norwood Payneham & St Peters. All other data is provided by JLL Australia.

* depicts the data collected in 4th Quarter of 2021

** depicts the data collected in the 4th Quarter of 2022

As shown in **Table 5** above, whilst Magill Road has experienced a slight decrease in occupancy levels, it appears to be performing well against the other mainstreets. Magill Road is the equal third best performing mainstreet alongside The Parade (94% - JLL data), both of which sit slightly below Prospect Road (95.9%) and King William Road (94.5%). However, it is important to note that the defined study areas for both Prospect Road and King William Road are significantly shorter than the 3.2km stretch of Magill Road or the 1.6km of The Parade that form the geographical scope of the Council staff assessment.

Given the importance of monitoring the occupancy levels within all of the Council's activity precincts, and in particular The Parade and Magill Road Precincts, Council Staff will continue to conduct annual occupancy assessments and provide written reports to the Business & Economic Development Advisory Committee and the Council to ensure that healthy and vibrant activity precincts are maintained and opportunities to capitalise and grow the City's economic development sectors are identified early.

OPTIONS

Not Applicable.

CONCLUSION

Whilst it is acknowledged that there has been a slight decline in the occupancy rate of The Parade and Magill Road Precincts over the previous twelve (12) months, both precincts are performing extremely well and remain healthy, based on the fact that there is no obvious pattern for the vacant tenancies, there has been a range of new businesses entering the Precinct and there is a relatively positive tenancy mix in both precincts.

COMMENTS

Whilst it is acknowledged that a low vacancy rate is a positive representation of the health of the Precinct, research has shown that when vacancy rates fall below 5%, the rental market is considered to be in a good state. This can unfortunately lead to landlords subsequently increasing rents, which in turn can have a negative impact on the tenancy mix. It also means that landlords can afford to be selective about the type of tenants that they place in individual tenancies. Staff will continue to monitor this activity to identify any such patterns, should they arise.

RECOMMENDATION

1. That the *Activity Precincts Occupancy Report 2022* contained in **Attachment B**, be received and noted by the Committee.
 2. That the Committee notes that an annual assessment of The Parade and Magill Road's occupancy levels, together with other key Activity Precincts over time, will be undertaken, with the results of the assessment to be presented back to the Business & Economic Development Advisory Committee through the annual Activity Precincts Occupancy Report.
-

Cr Callisto moved:

1. *That the Activity Precincts Occupancy Report 2022 contained in Attachment B, be received and noted by the Committee.*
2. *That the Committee notes that an annual assessment of The Parade and Magill Road's occupancy levels, together with other key Activity Precincts over time, will be undertaken, with the results of the assessment to be presented back to the Business & Economic Development Advisory Committee through the annual Activity Precincts Occupancy Report.*

Seconded by Ms Trish Hansen and carried unanimously.

5.3 2023 SCHEDULE OF MEETINGS FOR THE BUSINESS & ECONOMIC DEVELOPMENT ADVISORY COMMITTEE

REPORT AUTHOR: Economic Development Officer
GENERAL MANAGER: Chief Executive Officer
CONTACT NUMBER: 8366 4512
FILE REFERENCE: qA109047
ATTACHMENTS: Nil

PURPOSE OF REPORT

The purpose of this report is to advise the Business & Economic Development Advisory Committee of the proposed Schedule of Meetings for 2023.

BACKGROUND

In respect to meetings, the Committee's Terms of Reference state that:

7.2 *The Committee shall meet a minimum of four (4) times in every calendar year on dates to be set out in advance for each year or as determined by the Chief Executive Officer, at the Council's Principal Office, the Norwood Town Hall, 175 The Parade, Norwood or as determined by the Chief Executive Officer and in accordance with the responsibilities imposed upon them within these Terms of Reference.*

The purpose of this report is to present the proposed Schedule of Meetings for the 2023 calendar year to the Committee for its consideration and approval.

DISCUSSION

In accordance with the Terms of Reference, the Chief Executive Officer has determined that all of the Committee Meetings will be held in the Mayor's Parlour, located in the Norwood Town Hall at 175 The Parade, Norwood.

In respect to the time and date of the meetings, it is recommended that all of the meetings of the Committee in 2023 commence at 6.15pm on a Tuesday night and that the remainder of the 2023 meetings be held on the dates outlined in **Table 1** below. It is recommended that the Schedule of Meetings outlined in **Table 1** below, be approved by the Committee.

TABLE 1: BUSINESS & ECONOMIC DEVELOPMENT ADVISORY COMMITTEE SCHEDULE OF MEETINGS 2023

Meeting	Date	Start Time
2	Tuesday, 13 June 2023	6.15pm
3	Tuesday, 12 September 2023	6.15pm
4	Tuesday, 28 November 2023	6.15pm

RECOMMENDATION

That the Business & Economic Development Advisory Committee's Schedule of Meetings for 2023 as set out below, be approved.

BUSINESS & ECONOMIC DEVELOPMENT ADVISORY COMMITTEE SCHEDULE OF MEETINGS 2023

Meeting	Date	Start Time
2	Tuesday, 13 June 2023	6.15pm
3	Tuesday, 12 September 2023	6.15pm
4	Tuesday, 28 November 2023	6.15pm

Cr Callisto moved:

That the Business & Economic Development Advisory Committee's Schedule of Meetings for 2023 as set out below, be approved.

BUSINESS & ECONOMIC DEVELOPMENT ADVISORY COMMITTEE SCHEDULE OF MEETINGS 2023

<i>Meeting</i>	<i>Date</i>	<i>Start Time</i>
<i>2</i>	<i>Tuesday, 13 June 2023</i>	<i>6.15pm</i>
<i>3</i>	<i>Tuesday, 12 September 2023</i>	<i>6.15pm</i>
<i>4</i>	<i>Tuesday, 28 November 2023</i>	<i>6.15pm</i>

Seconded by Ms Victoria McFarlane and carried unanimously.

6. OTHER BUSINESS

Nil

7. NEXT MEETING

Tuesday, 13 June 2023

8. CLOSURE

There being no further business the Presiding Member declared the meeting closed at 8.41pm.

Mayor Robert Bria
PRESIDING MEMBER**Minutes Confirmed on** _____
(date)

11.8 COUNCIL ASSESSMENT PANEL – TERMS OF REFERENCE

REPORT AUTHOR: Manager, Development Assessment
GENERAL MANAGER: General Manager, Urban Planning & Environment
CONTACT NUMBER: 83664567
FILE REFERENCE: qA63668
ATTACHMENTS: A - B

PURPOSE OF REPORT

This report seeks the Council's endorsement of an updated version of the Terms of Reference for the Council Assessment Panel.

BACKGROUND

Section 83 of the *Planning, Development & Infrastructure Act 2016* (PDI Act), requires a designated authority (in this case, the Council) to establish a Council Assessment Panel. The PDI Act requires that:

- (b) *a designated authority must determine-*
 - (i) *the membership of the assessment panel, being no more than 5 members, only 1 of which may be a member of a council, and, if the designated authority thinks fit, on the basis that the assessment panel will be constituted by a different number of members depending on the particular class of development that is being assessed by the assessment panel; and*
 - (ii) *the procedures to be followed with respect to the appointment of members; and*
 - (iii) *the terms of office of members; and*
 - (iv) *conditions of appointment of members, or the method by which those conditions will be determined, (including as to their remuneration) and the grounds on which, and the procedures by which, a member may be removed from office; and*
 - (v) *the appointment of deputy members; and*
 - (vi) *who will act as the presiding member of the panel and the process for appointing an acting presiding member.*

The Council specifies the requirements and processes around these matters in the Terms of Reference which are applicable to the Council Assessment Panel.

The current Terms of Reference were adopted by Council Assessment Panel on 10 February 2021, however for reasons explained later in this report, the Terms of Reference require updating and endorsement by the Council.

RELEVANT STRATEGIC DIRECTIONS & POLICIES

The relevant Goals contained in *CityPlan 2030* are:

Outcome 2: Cultural Vitality

Objective 2.4: Pleasant, well designed, and sustainable urban environments

Objective 2.5: Dynamic community life in public spaces and precincts

Strategy:

Strategy 2.4.1: Encourage development that complements our City's built heritage and character areas.

Strategy 2.4.2: Encourage sustainable and quality urban design outcomes.

Strategy 2.5.1: Facilitate a mix of land uses and activities in appropriate locations in balance with amenity and character.

FINANCIAL AND BUDGET IMPLICATIONS

There are no applicable financial or budget implications arising as a result of this report.

EXTERNAL ECONOMIC IMPLICATIONS

There are no external economic implications arising as a result of this report.

SOCIAL ISSUES

There are no social issues arising as a result of this report.

CULTURAL ISSUES

There are no cultural issues arising as a result of this report.

ENVIRONMENTAL ISSUES

There are no environmental issues arising as a result of this report.

RESOURCE ISSUES

The maintenance of updated and contemporary Terms of Reference provides clarity to Members of the Council Assessment Panel, the Council and citizens, regarding the procedures and conditions applicable to Council Assessment Panel Members. Clear guidance minimises the impacts on resources through unnecessary enquiries and customer requests.

RISK MANAGEMENT

The key risks associated with setting Terms of Reference for the Council Assessment Panel relate to accuracy, legislative compliance and ensuring appropriate, best practice, Terms of Reference are set and maintained at all times.

The above risks all primarily relate to the Terms of Reference being inaccurate or becoming obsolete. Such risks could lead to challenges to the validity of meetings or decisions and accordingly, without mitigation, such risks would lead to a risk rating of Medium (17) in accordance with the Council Risk Management Framework.

Such risks can be appropriately mitigated through the following measures:

- Ensuring the Terms of Reference are based on the templates developed by the Local Government Association of South Australia;
- Ensuring the Terms of Reference are drafted in accordance with legal advice;
- Ensuring the Terms of Reference are generally consistent with the Terms of Reference applicable to other Council Assessment Panels across local government;
- Scheduling in regular reviews (i.e. once every two years); and
- Having staff and Panel Members attend regular training.

Taking into consideration the above-mentioned mitigation measures, the risk rating associated with this matter would be Low (25) in accordance with the Council's Risk Management Framework.

CONSULTATION

- **Elected Members**
Elected Members consider the Terms of Reference when presented for endorsement. The Terms of Reference are reviewed periodically.
- **Community**
Not required as legislation does not provide for, nor anticipate consultation in respect of the Terms of Reference.

- **Staff**
General Manager, Urban Planning and Environment
- **Other Agencies**
Not Applicable.

DISCUSSION

As noted in the *Background* section above, the applicable legislation (in this case the *Planning, Development & Infrastructure Act 2016*), clearly anticipates that the designated authority (i.e. the Council) must establish the parameters and procedures applicable to the constitution of the Council Assessment Panel.

The manner in which the Council Assessment Panel operates (i.e. the Meeting Procedures) is a matter for the Panel itself, as anticipated by Regulation 18 in the *Planning Development & Infrastructure (General) Regulations 2017*:

18 – Other Matters

Except insofar as a procedure is prescribed by the Act or these regulations, the procedures of an assessment panel in relation to the conduct of its business will be as determined by the assessment panel (and an assessment panel is accordingly a specified body for the purposes of section 246(6)(d) of the Act).

The Terms of Reference for the Council Assessment Panel are currently combined with the Meeting Procedures to form one document.

To comply with the advice that the Council has received through both the Local Government Association of South Australia and the Council's solicitors (Norman Waterhouse), it is necessary to separate the Terms of Reference and Meeting Procedures into separate documents, as both documents require endorsement from different entities (i.e. the Council for the Terms of Reference and the Council Assessment Panel for the Meeting Procedures).

Should the attached, updated version of the Terms of Reference be endorsed, a report will be presented to the Council Assessment Panel seeking the Panel's endorsement of the updated Meeting Procedures.

In separating the documents, it is also prudent to undertake a review of the provisions to ensure that these are up-to-date and reflect best practice applicable across Local Government.

An updated version of the Terms of Reference is contained in **Attachment A** for the Council's consideration and endorsement. The original version of the Terms of Reference (to be superseded) is contained in **Attachment B**.

The changes that have been made to the Terms of Reference are summarised below:

- Separation of the Terms of Reference from the Meeting procedures.
- Change of the term "Specialist External Members" to "Independent Members". This change ensures conformity with the Model Meeting Procedures issued by the Local Government Association of South Australia and assists with consistency of language.
- Clause 2.10 – Altered to reflect the option that the Council has to re-appoint existing Members for a further term should they choose to do so. This addition does not prevent the Council's power to call for expressions of interest at the expiry of the term of CAP Members. It simply allows the Membership to "roll over" to another term, should the Council deem that course of action appropriate.
- Addition of Clause 2.11 – Reflects the fact that Council will call for nominations of interest for the Elected Member position on the CAP (rather than a formal external EOI process as is the case for Independent Members).

- Clause 2.14 – Added clarification that only an Independent Member can act as the Presiding Member.
- Addition of Clause 2.15 – Adds clarification of the role of the Presiding Member and what is expected.
- Clause 2.16 – the addition of the words “*as determined by the Council*” at the end of the clause to clarify that a Presiding Member is eligible for re-appointment at the end of their term, but only if the Council resolves accordingly.
- Clause 2.19 – this addition reflects that an Elected Member (and Deputy Elected Member) are to be appointed for two (2) years or the expiry of the current elected term, whichever occurs first.

This simply reflects the fact that an Elected Member should not continue to be a CAP Member if their elected term has expired.

- Clause 2.20 – Addition of the words “*as determined by the Council*” at the end of the clause to clarify that a CAP Member is eligible for re-appointment at the end of their term, but only if the Council resolves accordingly.
- Clause 2.22 – 2.28 – These additional Clauses provide clarification regarding the requirements which are applicable to Independent Members for their accreditation (all Independent Members must be accredited at Level 2 under the Accredited Professionals Scheme). The Clauses reflect the fact that Independent Members are responsible for their accreditation, for notifying the Council of any changes to their accreditation status and for the training costs, which they incur in maintaining their accreditation.
- Clause 4.2 – Addition of the words “*and training if agreed to by the Assessment Manager at his or her absolute discretion*”.

This Clause enables CAP Members to be remunerated not only for their time in attending meetings, but also to attend training, only where approved by the Council’s Assessment Manager. The intention of this change is to enable CAP Members to receive reimbursement if they attend training which is organised by the Council. This would be rare (expected to be once or less per annum) and would only occur where the Council considers the Panel would benefit from additional training.

Members are still responsible for the training costs which they incur as part of maintaining their accreditation in accordance with Clause 2.24.

There are no budget implications from this suggested amendment. The budget already accommodates the required number of meetings and this current arrangement of reimbursement for training organised by the Council already exists.

- Clause 5.4.1.2 – Within this clause, a further clause (5.2.1) is referenced and this is proposed to be changed to Clause 5.2 to reflect the extent of reasons that a CAP Member may be removed from office.

OPTIONS

The Council has the following options in respect to this matter:

1. endorse the amended Terms of Reference as contained in **Attachment A**;
2. suggest / require changes to the amended Terms of Reference; or
3. refuse to endorse the amended Terms of Reference (in which case the current Terms of Reference would remain in place).

Option 1 is recommended for the reasons outlined in this report.

Option 3 would carry some risk as the Council has received advice that the current Terms of Reference are out of date and do not align with the suggested templates issued by the Local Government Association of South Australia and the legal advice which has been received from the Council’s solicitors.

CONCLUSION

Under the *Planning, Development & Infrastructure Act 2016*, the Council Assessment Panel is a relevant authority (i.e. decision making body) for the assessment of Development Applications, which require public notification. It is important that the Panel is constituted correctly in accordance with clear parameters and procedures.

Endorsement of the recommendation set out below will enable this to occur.

COMMENTS

Nil.

RECOMMENDATION

1. That the updated Terms of Reference for the Council Assessment Panel, as contained in Attachment A, be endorsed and adopted.
2. That a copy of the endorsed Terms of Reference be provided to Members of the Council Assessment Panel for their information.

Attachments – Item 11.8

Attachment A

Council Assessment Panel Terms of Reference



City of
Norwood
Payneham
& St Peters



COUNCIL ASSESSMENT PANEL

TERMS OF REFERENCE

1. ESTABLISHMENT

- 1.1 The City of Norwood Payneham & St Peters Council Assessment Panel (**CAP**) was appointed as a relevant authority under Section 82 and 83 of the *Planning, Development and Infrastructure Act 2016 (Act)* by resolution of the City of Norwood Payneham & St Peters (**the Council**) on 4 September 2017.
- 1.2 The CAP is a relevant authority under the Act and, during transition to the Act, will act as a delegate of the Council for the purpose of the *Development Act 1993*.
- 1.3 These Terms of Reference were adopted by the Council 2023.

2. MEMBERSHIP OF COUNCIL ASSESSMENT PANEL

Appointment of Members

- 2.1 The CAP will be constituted of 5 Members (**CAP Members**), to be appointed by the Council, comprising:
 - 2.1.1 one (1) Member of the Council (**Council Member**); and
 - 2.1.2 four (4) Independent Members (**Independent Members**), not being Members of the Council or State Parliament.
- 2.2 The Council may determine that the CAP will be constituted by a different number of members for different classes of development, in which case the relevant details will be specified by the Council.
- 2.3 When appointing CAP Members, the Council may have regard to the following:
 - 2.3.1 the candidate's knowledge of the operation and requirements of the Act and, during transition to the Act, the Development Act;
 - 2.3.2 in relation to Independent Members, the candidate's qualifications or experience in a field that is relevant to the activities of the CAP and their accreditation status;
 - 2.3.3 in relation to the Council Member, the candidate's experience in local government;
 - 2.3.4 that a balance of qualifications and experience among CAP Members is desirable;
 - 2.3.5 that gender diversity among CAP Members is desirable; and
 - 2.3.6 such other matters as the Council considers relevant.

Appointment of Deputy Members

- 2.4 The Council may appoint one or more Deputy Members to the CAP for the purpose of filling in for a CAP Member who is unable to attend a CAP meeting or part of a CAP meeting.
- 2.5 Subject to clause 2.6, a Deputy Member must not be a Member of the Council or State Parliament.
- 2.6 Where a Deputy Member appointed for the Council Member is also a member of the Council, that person may not act as a deputy for any other CAP Member (whereas a Deputy Member who is not a member of the Council may act as a deputy for any CAP Member).
- 2.7 Where more than one Deputy Member is appointed, the Council must specify the circumstances in which each Deputy Members (or any one or more of them) will be invited to attend a CAP meeting.
- 2.8 In appointing a Deputy Member, the Council may have regard to the matters in clause 2.3, as well as to the qualifications and experience of the CAP Member or CAP Members to whom the candidate will be a deputy.
- 2.9 Unless the context otherwise requires, a reference to a CAP Member in this document includes a Deputy Member.

Expression of Interest

- 2.10 The Council will call for expressions of interest for appointment of CAP Independent Members (unless the Council resolves to re-appoint the existing members for a further term). The nature and extent of the call for expressions of interest may change from time to time at the discretion of the Assessment Manager.
- 2.11 The Council will call for nominations of interest from Council Members for the appointment of the CAP Council Member and the Deputy Council Member.

Presiding Member and Acting Presiding Member

- 2.12 The Council will appoint an Independent Member to be the Presiding Member of the CAP for such term and on such conditions as determined by the Council.
- 2.13 The Presiding Member will preside at any CAP meeting at which he or she is present.
- 2.14 In the event that the Presiding Member is not present at a meeting (or part thereof) an Independent Member will be appointed as Acting Presiding Member by those CAP Members who are present at the meeting.
- 2.15 The role of the Presiding Member will include, but not be limited to:
 - 2.15.1 Ensuring that the business of the CAP at meetings, including hearings, is conducted in a reasonable and appropriate manner and that any unreasonable, unruly or inappropriate behaviour is addressed;
 - 2.15.2 Ensuring that the CAP operates in accordance with the Terms of Reference and Meeting Procedures.
- 2.16 A Presiding Member is eligible to be reappointed as the Presiding Member at the expiry of his or her term of office as Presiding Member as determined by the Council.
- 2.17 In the event that the Presiding Member resigns or is removed from office, the Council will appoint an Independent Member to be the Presiding Member for such term and on such conditions as determined by the Council.

Term of Appointment

- 2.18 Subject to clause 5, Independent Members and Deputy Independent Members will be appointed for a term of up to two (2) years and on such other conditions as determined by the Council.
- 2.19 Subject to clause 5, the Council Member and Deputy Council Member will be appointed for a term of up to two (2) years, or for the remainder of their current elected term, whichever occurs first and on such other conditions as determined by the Council.
- 2.20 A CAP Member is eligible for reappointment for a further term, or further terms, upon the expiry of his or her current term as determined by the Council.
- 2.21 A CAP Member whose term of office has expired may nevertheless continue to act as a Member until the vacancy is filled or for a period of six months from the expiry of the Member's term of office, whichever occurs first.
- 2.22 In accordance with clause 2.3.2 the Council may have regard to the accreditation status of an Independent CAP Member.
- 2.23 Independent CAP Members are responsible for seeking and maintaining their accreditation at level 2 under the Accredited Professionals Scheme.
- 2.24 Independent CAP Members are responsible for the costs of obtaining and maintaining their accreditation.
- 2.25 Independent CAP Members must provide a copy of their current, up-to-date accreditation certificate within 3 business days of the Member obtaining / receiving it.
- 2.26 Should an Independent CAP Member not be able to obtain or renew their accreditation, or should their accreditation lapse or be revoked for any reason, they must advise the Assessment Manager within 3 business days of such circumstance occurring.
- 2.27 Independent CAP Members are responsible for ensuring they undertake the required amount of professional development (and keep the associated records) necessary to achieve their accreditation.
- 2.28 For the sake of clarity, the accreditation requirements under the Accredited Professionals Scheme do not apply to Council Members or Deputy Council Members.

3. VACANCY IN MEMBERSHIP

- 3.1 In the event of a vacancy arising in the office of a CAP Member, the Council may appoint a person to be a CAP Member for the balance of the original CAP Member's term of office as soon as is reasonably practicable in the same manner as the original CAP Member was appointed.
- 3.2 The CAP Member appointed to fill a vacancy may be a Deputy Member in which case that person will automatically cease to be a Deputy Member.
- 3.3 In appointing a CAP Member pursuant to clause 3.1, the Council may have regard to the matters in clause 2.3 or 2.8 as the case requires.
- 3.4 A vacancy in the membership of the CAP will not invalidate any decisions of the CAP, provided a quorum is maintained during meetings.

4. CONDITIONS OF APPOINTMENT

- 4.1 At all times, CAP Members must act honestly, lawfully, in good faith, and in accordance with any code of conduct applicable to CAP Members.
- 4.2 CAP Members may be remunerated as determined by the Council for the reasonable time and costs incurred by CAP Members in attending CAP meetings and training if agreed to by the Assessment Manager at his or her absolute discretion.
- 4.3 Different levels of remuneration may be fixed by the Council for Independent Members, the Council Member, the Presiding Member and Deputy Members.
- 4.4 Upon the commencement of Section 83(1)(c) of the Act:
- 4.4.1 CAP Members, excluding a Member who is a Member or former Member of the Council, must be accredited professionals under the Act; and
- 4.4.2 CAP Members who are Members or former Members of the Council must have sufficient experience in local government to satisfy the Council that they are appropriately qualified to act as a Member of the CAP.

5. REMOVAL FROM OFFICE

- 5.1 A CAP Member will automatically lose office where:
- 5.1.1 the CAP Member has become bankrupt or has applied to take the benefit of a law for the relief of insolvent debtors;
- 5.1.2 the CAP Member has been convicted of an indictable offence punishable by imprisonment;
- 5.1.3 in the case of a Council Member, the Member ceases to be a member of the Council.
- 5.2 Subject to Clause 5.4, the Council may by resolution remove a CAP Member from office where, in the opinion of the Council, the behaviour of the CAP Member amounts to:
- 5.2.1 a breach of a condition of his or her appointment as a CAP Member;
- 5.2.2 misconduct;
- 5.2.3 a breach of any legislative obligation or duty of a CAP Member;
- 5.2.4 neglect of duty in attending to role and responsibilities as a CAP Member;
- 5.2.5 a failure to carry out satisfactorily the duties of his or her office;
- 5.2.6 a breach of fiduciary duty that arises by virtue of his or her office;
- 5.2.7 inability to carry out satisfactorily the duties of his or her office.
- 5.2.8 except in relation to Deputy Members, a failure without reasonable excuse to attend three consecutive CAP meetings without the CAP previously having resolved to grant a leave of absence to the CAP Member; or
- 5.2.9 in relation to a Deputy Member, a failure without reasonable excuse on three consecutive occasions to attend a meeting of the CAP when requested to do so; or
- 5.2.10 for any other reason the Council considers appropriate.

- 5.3 The removal of the CAP Member pursuant to clause 5.2 will take effect upon the Council passing a resolution to remove the CAP Member from office (unless the Council resolves otherwise), and such resolution will be confirmed in writing to the CAP Member within 7 days of being passed.
- 5.4 Prior to resolving to remove a CAP Member from office pursuant to clause 5.2, the Council must:
- 5.4.1 give written notice to the CAP Member of:
- 5.4.1.1 its intention to remove the CAP Member from office pursuant to clause 5.2; and
- 5.4.1.2 the alleged behaviour of the CAP Member falling within clause 5.2 or reason the Council considers it appropriate to remove the CAP Member, not less than 7 days before the meeting of the Council at which the matter is to be considered;
- 5.4.2 give the CAP Member an opportunity to make submissions to the Council on its intention to remove the CAP Member from office either orally at the Council meeting at which the matter is to be considered, or in writing by such date as the Council reasonably determines; and
- 5.4.3 have due regard to the CAP Member's submission in determining whether to remove the CAP Member from office.

6. DELEGATIONS

- 6.1 The Council Assessment Panel is responsible for assessing Development Applications lodged prior to 19 March 2021 in accordance with the delegations conferred by the Council pursuant to Section 34(23) of the *Development Act 1993*.
- 6.2 The Council Assessment Panel is responsible for assessing Development Applications lodged on or after 19 March 2021 in accordance with Section 93 of the *Planning, Development and Infrastructure Act 2016* and the delegations conferred by the Council Assessment Panel to the Assessment Manager pursuant to Section 100 of the *Planning, Development and Infrastructure Act 2016*.

Attachment B

Council Assessment Panel Terms of Reference



City of
Norwood
Payneham
& St Peters



COUNCIL ASSESSMENT PANEL

TERMS OF REFERENCE

Adopted 10 February 2021

1. ESTABLISHMENT

- 1.1 The City of Norwood Payneham & St Peters Council Assessment Panel (**CAP**) was appointed as a relevant authority under Section 82 and 83 of the *Planning, Development and Infrastructure Act 2016 (Act)* by resolution of the City of Norwood Payneham & St Peters (**the Council**) on 4 September 2017.
- 1.2 The CAP is a relevant authority under the Act and, during transition to the Act, will act as a delegate of the Council for the purpose of the *Development Act 1993*.

2. MEMBERSHIP OF COUNCIL ASSESSMENT PANEL

Appointment of Members

- 2.1 The CAP will be constituted of 5 Members (**CAP Members**), to be appointed by the Council, comprising:
 - 2.1.1 one Member of the Council (**Council Member**); and
 - 2.1.2 4 Independent Members (**Specialist External Members**), not being Members of the Council or State Parliament.
- 2.2 The Council may determine that the CAP will be constituted by a different number of members for different classes of development, in which case the relevant details will be specified by the Council.
- 2.3 When appointing CAP Members, the Council may have regard to the following:
 - 2.3.1 the candidate's knowledge of the operation and requirements of the Act and, during transition to the Act, the Development Act;
 - 2.3.2 in relation to Independent Members, the candidate's qualifications or experience in a field that is relevant to the activities of the CAP;
 - 2.3.3 in relation to the Council Member, the candidate's experience in local government;
 - 2.3.4 that a balance of qualifications and experience among CAP Members is desirable;
 - 2.3.5 that gender diversity among CAP Members is desirable; and
 - 2.3.6 such other matters as the Council considers relevant.

Appointment of Deputy Members

- 2.4 The Council may appoint one or more Deputy Members to the CAP for the purpose of filling in for a CAP Member who is unable to attend a CAP meeting or part of a CAP meeting.
- 2.5 Subject to clause 2.6, a Deputy Member must not be a Member of the Council or State Parliament.
- 2.6 Where a Deputy Member appointed for the Council Member is also a member of the Council, that person may not act as a deputy for any other CAP Member (whereas a Deputy Member who is not a member of the Council may act as a deputy for any CAP Member).
- 2.7 Where more than one Deputy Member is appointed, the Council must specify the circumstances in which each Deputy Members (or any one or more of them) will be invited to attend a CAP meeting.
- 2.8 In appointing a Deputy Member, the Council may have regard to the matters in clause 2.3, as well as to the qualifications and experience of the CAP Member or CAP Members to whom the candidate will be a deputy.
- 2.9 Unless the context otherwise requires, a reference to a CAP Member in this document includes a Deputy Member.

Expression of Interest

- 2.10 The Council will call for expressions of interest for appointment of CAP Members. The nature and extent of the call for expressions of interest may change from time to time at the discretion of the Assessment Manager.

Presiding Member and Acting Presiding Member

- 2.11 The Council will appoint a Specialist External Member to be the Presiding Member of the CAP for such term and on such conditions as determined by the Council.
- 2.12 The Presiding Member will preside at any CAP meeting at which he or she is present.
- 2.13 In the event that the Presiding Member is not present at a meeting (or part thereof) an Acting Presiding Member will be appointed by those CAP Members who are present at the meeting.
- 2.14 A Presiding Members is eligible to be reappointed as the Presiding Member at the expiry of his or her term of office as Presiding Member.
- 2.15 In the event that the Presiding Member resigns or is removed from office, the Council will appoint an Independent Member to be the Presiding Member for such term and on such conditions as determined by the Council.

Term of Appointment

- 2.16 Subject to clause 5, Independent Members will be appointed for a term of up to two (2) years and on such other conditions as determined by the Council.
- 2.17 Subject to clause 5, the Council Member will be appointed for a term of up to two (2) years and on such other conditions as determined by the Council.
- 2.18 Deputy Members will be appointed for a term of up to two (2) years and on such other conditions as determined by the Council.
- 2.19 A CAP Member is eligible for reappointment for a further term, or further terms, upon the expiry of his or her current term.
- 2.20 A CAP Member whose term of office has expired may nevertheless continue to act as a Member until the vacancy is filled or for a period of six months from the expiry of the Member's term of office, whichever occurs first.

3. VACANCY IN MEMBERSHIP

- 3.1 In the event of a vacancy arising in the office of a CAP Member, the Council may appoint a person to be a CAP Member for the balance of the original CAP Member's term of office as soon as is reasonably practicable in the same manner as the original CAP Member was appointed.
- 3.2 The CAP Member appointed to fill a vacancy may be a Deputy Member in which case that person will automatically cease to be a Deputy Member.
- 3.3 In appointing a CAP Member pursuant to clause 3.1, the Council may have regard to the matters in clause 2.2 or 2.8 as the case requires.
- 3.4 A vacancy in the membership of the CAP will not invalidate any decisions of the CAP, provided a quorum is maintained during meetings.

4. CONDITIONS OF APPOINTMENT

- 4.1 At all times, CAP Members must act honestly, lawfully, in good faith, and in accordance with any code of conduct applicable to CAP Members.
- 4.2 CAP Members may be remunerated as determined by the Council for the reasonable time and costs incurred by CAP Members in attending CAP meetings.
- 4.3 Different levels of remuneration may be fixed by the Council for Independent Members, the Council Member, the Presiding Member and Deputy Members.
- 4.4 Upon the commencement of Section 83(1)(c) of the Act:
- 4.4.1 CAP Members, excluding a Member who is a Member or former Member of the Council, must be accredited professionals under the Act; and
 - 4.4.2 CAP Members who are Members or former Members of the Council must have sufficient experience in local government to satisfy the Council that they are appropriately qualified to act as a Member of the CAP.

5. REMOVAL FROM OFFICE

- 5.1 A CAP Member will automatically lose office where:
- 5.1.1 the CAP Member has become bankrupt or has applied to take the benefit of a law for the relief of insolvent debtors;
 - 5.1.2 the CAP Member has been convicted of an indictable offence punishable by imprisonment;
 - 5.1.3 in the case of a Council Member, the Member ceases to be a member of the Council.
- 5.2 Subject to Clause 5.4, the Council may by resolution remove a CAP Member from office where, in the opinion of the Council, the behaviour of the CAP Member amounts to:
- 5.2.1 a breach of a condition of his or her appointment as a CAP Member;
 - 5.2.2 misconduct;
 - 5.2.3 a breach of any legislative obligation or duty of a CAP Member;
 - 5.2.4 neglect of duty in attending to role and responsibilities as a CAP Member;

- 5.2.5 a failure to carry out satisfactorily the duties of his or her office;
 - 5.2.6 a breach of fiduciary duty that arises by virtue of his or her office;
 - 5.2.7 inability to carry out satisfactorily the duties of his or her office.
 - 5.2.8 except in relation to Deputy Members, a failure without reasonable excuse to attend three consecutive CAP meetings without the CAP previously having resolved to grant a leave of absence to the CAP Member; or
 - 5.2.9 in relation to a Deputy Member, a failure without reasonable excuse on three consecutive occasions to attend a meeting of the CAP when requested to do so; or
 - 5.2.10 for any other reason the Council considers appropriate.
- 5.3 The removal of the CAP Member pursuant to clause 5.2 will take effect upon the Council passing a resolution to remove the CAP Member from office (unless the Council resolves otherwise), and such resolution will be confirmed in writing to the CAP Member within 7 days of being passed.
- 5.4 Prior to resolving to remove a CAP Member from office pursuant to clause 5.2, the Council must:
- 5.4.1 give written notice to the CAP Member of:
 - 5.4.1.1 its intention to remove the CAP Member from office pursuant to clause 5.2; and
 - 5.4.1.2 the alleged behaviour of the CAP Member falling within clause 5.2.1 or reason the Council considers it appropriate to remove the CAP Member, not less than 7 days before the meeting of the Council at which the matter is to be considered;
 - 5.4.2 give the CAP Member an opportunity to make submissions to the Council on its intention to remove the CAP Member from office either orally at the Council meeting at which the matter is to be considered, or in writing by such date as the Council reasonably determines; and
 - 5.4.3 have due regard to the CAP Member's submission in determining whether to remove the CAP Member from office.

6. DELEGATIONS

- 6.1 The Council Assessment Panel is responsible for assessing Development Applications lodged prior to 19 March 2021 in accordance with the delegations conferred by the Council pursuant to Section 34(23) of the *Development Act 1993*.
- 6.2 The Council Assessment Panel is responsible for assessing Development Applications lodged on or after 19 March 2021 in accordance with Section 93 of the *Planning, Development and Infrastructure Act 2016* and the delegations conferred by the Council Assessment Panel to the Assessment Manager pursuant to Section 100 of the *Planning, Development and Infrastructure Act 2016*.

7. COUNCIL ASSESSMENT PANEL MEETINGS

Ordinary Meetings

- 7.1 Subject to clause 7.2, ordinary meetings of the City of Norwood Payneham & St Peters Council Assessment Panel (**CAP**) will be held at such times and places as determined by the CAP.
- 7.2 The time and place of the first meeting of the CAP following its establishment will be determined by the Assessment Manager. The Assessment Manager must give notice of the first CAP meeting to the CAP and the public in accordance with clauses 7.4 and 7.6.
- 7.3 Notice of an ordinary meeting will be given to all CAP Members by the Assessment Manager not less than 3 clear days prior to the holding of the meeting in accordance with clause 7.4
- 7.4 Notice of a meeting of the CAP must:
- 7.4.1 be in writing;
 - 7.4.2 set out the date, time and place of the meeting;
 - 7.4.3 be signed by the Assessment Manager;
 - 7.4.4 contain or be accompanied by the agenda and any documents and/or reports that are to be considered at the meeting (in so far as practicable); and
 - 7.4.5 be given to a CAP Member personally, by post to a place authorised in writing by the Member or by other means authorised by the Member as being an available means of giving notice.
- 7.5 A notice that is not given in accordance with clause 7.4 is taken to have been validly given if the Assessment Manger considers it impracticable to give the notice in accordance with that clause and takes action the Assessment Manager considers reasonably practicable in the circumstances to bring the notice to the attention of the Member.
- 7.6 A copy of the agenda for all meetings of the CAP will be available for viewing by the public on the Council's website and at the Council's offices as soon as practicable after the time that notice of the meeting has been given to CAP Members.
- 7.7 The Assessment Manger may, with leave or at the request of the Presiding Member, include in the agenda an item to be considered at the meeting to which the agenda relates after notice of the meeting has been given to CAP Members. In such instance, the Assessment Manger shall provide an updated agenda and any documents and/or reports relating to that item to be considered at the meeting to Members as soon as practicable. The Assessment Manager will also make an updated agenda available to the public.
- 7.8 The Presiding Member may adjourn a CAP Meeting to a future date and time, unless the CAP resolves to continue the meeting.
- 7.9 Meetings of the Panel shall conclude at 11.00pm. In the event that matters are outstanding the meeting will be adjourned to reconvene on the fourth Monday of the month or as determined by the Council's Chief Executive Officer in consultation with the Presiding Member. However, the Presiding Member may use his/her discretion to extend the meeting by 15 minutes, provided that all Panel Members are in agreement to extend the meeting and provided that, in the opinion of the Presiding Member, there is a reasonable chance that the Panel's business will be concluded by 11.15pm.

Special Meetings

- 7.10 The Presiding Member, or two or more CAP Members, may by delivering a written request to the Assessment Manager require a special meeting of the CAP to be held. The written request must be accompanied by the agenda for the special meeting.
- 7.11 On receipt of a request pursuant to clause 7.10, the Assessment Manager must determine the date, time and place of the special meeting and give notice to all CAP members at least 4 hours before the commencement of the special meeting.

8. DEPUTY MEMBERS

- 8.1 If a CAP Member is unable or unwilling to attend a meeting or part of a meeting, he or she must use his or her best endeavours to notify the Presiding Member or Assessment Manager at his or her earliest opportunity.
- 8.2 If notification pursuant to clause 8.1 is given, the Presiding Member may request a Deputy Member attend the meeting in place of the CAP Member for the meeting or part of the meeting.
- 8.3 Unless the context otherwise requires, a reference to a Member in these Meeting Procedures includes a Deputy Member.

9. COMMENCEMENT OF MEETINGS

- 9.1 A quorum for a meeting of the Development Assessment Panel, shall be the total number of members of the Development Assessment Panel in office, divided by two (2) (ignoring any fraction) and adding one (1) and no business shall be transacted at a meeting unless a quorum is present.
- 9.2 Subject to a quorum being present, a meeting of the CAP will commence as soon as possible after the time specified in the notice of a meeting.
- 9.3 If the number of apologies received by the Assessment Manager or Presiding Member indicates that a quorum will not be present at a meeting, the Presiding Member may adjourn the meeting to a specified day and time.
- 9.4 If at the expiration of thirty minutes from the commencement time specified in the notice of the meeting a meeting a quorum is not present, the Presiding Member may adjourn the meeting to a specified date and time.
- 9.5 In the event that the Presiding Member is absent from a meeting, the Assessment Manager, or such other person as nominated by the Assessment Manager, will preside at the meeting until such time as the meeting appoints an Acting Presiding Member.

10. DECISION MAKING

- 10.1 The Presiding Member may in his or her discretion exclude:
- 10.1.1 a representation or response to representation(s) which is received out of time;
 - 10.1.2 a representation in relation to Category 2 development from a person who was not entitled to be given notice of the application; or
 - 10.1.3 a representation or response to representation(s) which is otherwise invalid.
- 10.2 The Presiding Member may in his or her discretion accept and allow to be considered by the CAP any new or additional material submitted by a representor or applicant. The CAP may defer consideration of the application to enable full and proper assessment of the further information.

- 10.3 Any material to be considered by the CAP pursuant to clause 10.2 must be provided to the applicant and/or representor(s) (as the case may be) and those parties be provided with an opportunity to respond, either in writing or verbally, at the discretion of the Presiding Member.
- 10.4 In relation to each application it considers, the CAP must:
- 10.4.1 consider whether the proposal is seriously at variance with the Development Plan; and
 - 10.4.2 provide reasons for granting or refusing Development Plan consent and for the imposition of any conditions.
- 10.5 If the CAP determines that a proposal is seriously at variance with the Development Plan, it must refuse Development Plan consent to the application.
- 10.6 In relation to each application to be considered and determined by the CAP:
- 10.6.1 a person who has lodged a representation in relation to a Category 2 or 3 application which has not been excluded pursuant to clause 10.1 and who has indicated that they wish to be heard on their representation is entitled to appear before the CAP and be heard in support of their representation, in person or by an agent;
 - 10.6.2 where one or more representors are heard by the CAP, the applicant is entitled to appear before the CAP to respond to any relevant matter raised by a representor, in person or by an agent;
 - 10.6.3 where no representors appear at the meeting, the Presiding Member may, in his or her discretion, allow an applicant to address the CAP, for the purpose of answering any questions that the CAP may have;
 - 10.6.4 representors and applicants will be allowed five minutes each to address the CAP. The Presiding Member may allow a party additional time at his or her discretion;
 - 10.6.5 CAP members may question and seek clarification from a representor or applicant who has addressed the CAP at the conclusion of their address; and
 - 10.6.6 following addresses from representors and the applicant, the Presiding Member will invite all Members to speak on any matter relevant to the application.
- 10.7 As determined by the Presiding Member, meetings of the Panel may involve tele-conferencing.
- 10.8 Each Member present at a meeting of the CAP, including a Deputy Member who has been requested to attend the meeting or part of the meeting in place of a Member who is unable or unwilling to attend the meeting, is entitled to one vote on any matter arising for decision. If the votes are equal, the Presiding Member is entitled to a second or casting vote. Additional Members appointed to the CAP to provide expert advice and assistance are not entitled to vote.
- 10.9 Subject to a Member of the Development Assessment Panel having a direct or indirect personal or pecuniary interest, each Member present at a meeting of the Development Assessment Panel, must vote on a question arising for decision.
- 10.10 Matters arising for decision at a meeting of the CAP will be decided by a majority of the votes cast by Members present at the meeting and entitled to vote.
- 10.11 The Presiding Member may adjourn a meeting in the event of a disruption or disturbance by any person (including a CAP Member, applicant, representor or other member of the public) to a specified date and time.

- 10.12 The Presiding Member may ask a member of the public (including an applicant, representor or other member of the public) to leave a meeting where he or she is, in the opinion of the Presiding Member:
- 10.12.1 behaving in a disorderly manner; or
 - 10.12.2 causing an interruption or disruption to the meeting.
- 10.13 Prior to calling for a motion, the Presiding Member in facilitating comment/discussion, will utilise his/her discretion, to allow discussion of any matter and to conclude the opportunity for discussion/comment only after each Panel Member present at the meeting, has been provided with the opportunity to speak.
- 10.14 An outcome to comment or discussion must be given effect by and shall only be valid when presented as a motion by a mover and seconder.
- 10.15 A motion will lapse if it not seconded at the appropriate time.
- 10.16 The CAP will excluding the public from attendance and meet in camera when receiving, discussing or considering potential compromises in respect to appeals which are before the Environment Resources and Development Court.
- 10.17 Where the CAP excludes the public from attendance pursuant to clause 10.16, the Presiding Member may, in his or her discretion, allow an applicant to address the CAP prior to being excluded from attendance, for the purpose of answering any questions that the CAP may have.
- 10.18 When the CAP is undertaking a review of the Assessment Manager's decision, it may ask questions of staff and the Applicant in public, however the CAP will excluding the public from attendance and meet in camera to deliberate and make a final determination.

11. MINUTES AND REPORTING

- 11.1 The CAP must ensure that accurate minutes are kept of all meetings.
- 11.2 The Assessment Manager, or a person nominated by the Assessment Manager, will take minutes of all meetings.
- 11.3 The minutes will record:
- 11.3.1 the names of all Members present;
 - 11.3.2 the names of all Members from whom apologies have been received;
 - 11.3.3 the name and time that a Member enters or leaves the meeting;
 - 11.3.4 the name of every person who makes a representation;
 - 11.3.5 in relation to each application determined by the CAP, the reasons for refusing Development Plan consent and for the imposition of any conditions;
 - 11.3.6 if an application is not determined by the CAP, the deferral of the application and the reasons for the deferral;
 - 11.3.7 a decision to exclude the public from attendance pursuant to the Regulations;
 - 11.3.8 any disclosure of a direct or indirect pecuniary interest in any aspect of a development or anybody associated with any aspect of a development made by a Member in accordance with Section 83(1)(g) of the Act, and the nature of the interest;

11.3.9 any disclosure of a conflict of interest made by a Member pursuant to the Code of Conduct adopted by the Minister under Clause 1(1)(c) of Schedule 3 of the Act (**Code of Conduct**), and the nature of the interest; and

11.3.10 if a meeting is adjourned by the Presiding Member, the reason for the adjournment and the date and time to which the meeting is adjourned.

11.4 All minutes must be confirmed by the Assessment Manager in conjunction with the Presiding Member as being accurate prior to, or at the commencement of, the following CAP meeting.

12. ADDITIONAL PROCEDURES

12.1 Insofar as any procedure to be followed by the CAP is not prescribed by the Act and Regulations (and, during the transition to the Act and Regulations, the Development Act and *Development Regulations 2008*), the CAP's Terms of Reference, the Code of Conduct or these Meeting Procedures - the CAP may by resolution determine the procedure for itself. Any such determination may be added to these Meeting Procedures.

12.2 The CAP may call for and consider such professional assistance from the Assessment Manager and, in consultation with the Assessment Manager, other professional advisors as it deems necessary and appropriate from time to time.

13. AUTHORISATIONS

13.1 The CAP authorises the Assessment Manager or his or her delegate to attend to the conduct of all administrative tasks associated with appeals to the Environment Resources and Development Court, including but not limited to appearing on behalf of the CAP at conferences and directions hearings in the Court and engaging legal representation and experts to represent the Panel.

12. ADOPTION OF COMMITTEE MINUTES
Nil

13. OTHER BUSINESS
(Of an urgent nature only)

14. CONFIDENTIAL REPORTS

14.1 COUNCIL RELATED MATTER

RECOMMENDATION 1

That pursuant to Section 90(2) and (3) of the *Local Government Act 1999*, the Council orders that the public, with the exception of the Council staff present, be excluded from the meeting on the basis that the Council will receive, discuss and consider:

- (a) information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead).

and the Council is satisfied that, the principle that the meeting should be conducted in a place open to the public, has been outweighed by the need to keep the receipt/discussion/ consideration of the information confidential.

RECOMMENDATION 2

Under Section 91(7) and (9) of the *Local Government Act 1999*, the Council orders that the report, discussion and minutes be kept confidential until such time that the Land Management Agreement Deed is noted on the Certificate of Title.

14.2 COUNCIL RELATED MATTER

RECOMMENDATION 1

That pursuant to Section 90(2) and (3) of the *Local Government Act 1999*, the Council orders that the public, with the exception of the Council staff present, be excluded from the meeting on the basis that the Council will receive, discuss and consider:

- (h) legal advice; and
- (i) information relating to litigation that the Council believes on reasonable grounds will take place, involving the Council;

and the Council is satisfied that, the principle that the meeting should be conducted in a place open to the public, has been outweighed by the need to keep the consideration of the information confidential.

RECOMMENDATION 2

Under Section 91(7) and (9) of the *Local Government Act 1999* the Council orders that the report, minutes and discussion to be kept confidential until this matter is finalised.

15. CLOSURE